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State comptroller to report soon on Tze'elim-2

By MICHAL YUDELMAN

State Comptroller Miriam Ben-Porat said yesterday that she intends to report soon on the conduct of Labor Party Chairman Ehud Barak in what is known as the Tze'elim-2 affair.

Barak telephoned Ben-Porat yesterday and asked her to make her stand on the issue public soon, following Justice Minister Tzahi Hanegbi's accusation that Barak, who was chief of general staff at the time, had "run away" from the scene of the training

accident and abandoned wounded soldiers in the field.

Five soldiers were killed and six wounded in the November 1992 accident, in which a missile was erroneously fired. Ben-Porat agreed, telling Barak she has already announced her plans to comment on the matter.

At a press conference last month, at which she presented the annual State Comptroller's Report, Ben-Porat said she was deliberating whether she had the tools to explore the sensitive issue of the evacuation of wounded soldiers, since it

required detailed fact verification, as in a judicial inquiry.

Barak, opposition slam Hanegbi, Page 3

Chief of General Staff Lt.-Gen. Amnon Lipkin-Shahak and other top IDF officers offered Barak support yesterday, insisting that reports that Barak

fled the accident scene were untrue.

Shahak, who was Barak's deputy and also witnessed the accident, said any claims that Barak abandoned wounded were lies.

OC Northern Command Maj.-Gen. Amiram Levine also said the report was wrong. Speaking on Channel 2, Levine said he had refrained from commenting on the incident until now, but said that Barak did not leave before he made sure that the casualties were being treated.

Channel 1 reported yesterday that in a check of the military flights on the day

of the Tze'elim-2 accident, it was found that Barak's helicopter took off only after the helicopter which evacuated the wounded had left the site.

Other IDF officers and major-generals who were present at the Tze'elim-2 incident told Israel Radio no wounded soldiers had been abandoned, noting that both Barak and Shahak remained there until all the wounded had been treated or evacuated.

Lt.-Col. Shlomi, a member of the unit that took part in the maneuver, said yesterday that accusing Barak of abandon-

ing the soldiers was "a contemptuous act," Shlomi said on Channel 1's *Erev Hadash* and on Israel Radio that Barak had behaved exactly "as a chief of staff should, at incidents such as these."

He noted Barak could not have evacuated soldiers in his own helicopter, because it was not suitable for carrying wounded persons and had seats in it, so he had to wait for a Yasur helicopter to do so.

Soldiers in this unit yesterday presented Barak with a letter of support.

Arieh O'Sullivan contributed to this report.

Religious freedom act thrown out in US

By MARILYN HENRY

NEW YORK — In a decision that stunned religious leaders in the US, the Supreme Court yesterday struck down the Religious Freedom Restoration Act, a four-year-old law that was intended to limit government interference in religion.

The effect will be to alter government's relationship with religion and to make it more difficult to challenge government actions that are thought to restrict religious freedom.

The 6-3 court ruling is expected to reverberate across every religious community in the US. Religious leaders spanning the spectrum, who had lobbied fiercely for the act in the early 1990s, have called this the most important church-state case ever decided by the court.

"Are Americans going to remain free to practice their religion protected from undue government interference?" asked Rabbi David Saperstein, an attorney who directs the Religious Action Center of Reform Judaism. "Today, Americans will once again find that their free exercise of religion will be subject to government regulation, even when no significant government interest in the infringement of religion is involved."

Freedom of religion is a fundamental right in the US. However, that freedom often conflicts with governmental laws and actions, and the issue that has plagued the US since 1990 was how to draw the line between religious freedom and governmental prerogatives.

In a 1990 case, the court said laws that are otherwise "neutral" toward religion can be valid even if the effect is that they infringe on some people's religious beliefs. The 1993 act was intended to overturn that ruling. Yesterday, however, the court said Congress had overstepped its bounds.

Yesterday's case stemmed from a dispute over zoning and "historic landmark preservation" in the small Texas town of Boerne.

The town's St. Peter Catholic Church has more than 2,000 members, but its 70-year-old sanctuary holds fewer than 250. When it sought city permission to tear down part of the sanctuary and enlarge its "Spanish mission" building, the Boerne landmark commission said no, contending that the building was worthy of preservation.

The church countered that its right to religious freedom, as guaranteed under the 1993 act, took precedence over a governmental interest in preservation. The church lost in yesterday's ruling.

Religious leaders argued strenuously that the 1993 law was needed to encourage governments to accommodate religious practices and to protect minority religions.

See RELIGIOUS, Page 2



Rafael Eitan visits Ateret Cohanim
Agriculture Minister Rafael Eitan addresses students at the Ateret Cohanim Yeshiva in Jerusalem's Old City yesterday, after Ateret Cohanim took him on a tour of the Old City, Ras el-Amud, and Abu Dis. (Brian Hendler)

Rabin assassination dashed peace with Syria - Indyk

By JAY BUSHINSKY

US Ambassador Martin Indyk believes there was a real chance of peace between Israel and Syria on the eve of Prime Minister Yitzhak Rabin's assassination, but it was dashed immediately afterwards by rapidly changing circumstances.

The American envoy was interviewed at the Tel Aviv Embassy just after the White House announced that President Bill Clinton had nominated him for the post of assistant secretary of state for Near East affairs.

Referring to his assignment to Israel in March 1995, Indyk said, "I was sent here by President Clinton to work with the late prime minister Yitzhak Rabin. Peace with Syria was their common objective, he said.

"The next step in the process was to achieve a breakthrough with Syria," he said, adding that the Oslo Accords were "on track" at the time and that an Israeli-Syrian agreement would have made it easier for the Palestinians to move forward.

Former ambassador to the US Itamar Rabinovich described Indyk's remarks as "a precise rendition of the US position."

He recalled, however, that when Syrian President Hafez Assad insisted that Rabin drop his demand for an early-warning station in the Golan Heights, to be set up after Israel's withdrawal, the

embryonic agreement collapsed.

Rabinovich recalled working with the Australian-born diplomat when Indyk served as director of the National Security Council's Middle East desk as well as during his stint as envoy to Israel.

A senior US official said yesterday that the Clinton administration hopes the Senate Foreign Relations Committee will hold its hearing on Indyk's nomination prior to its August break. But that might have to wait until the autumn, due to an overloaded Congressional calendar. If confirmed, Indyk would replace

Robert Pelletreau, who retired earlier this year.

Indyk was enthusiastic about the post of assistant secretary.

"It will give me an opportunity to implement the Clinton administration's policies toward Iran and Iraq, as well as the Gulf states," he said.

"We have a strong strategic interest in seeing the peace process succeed," he said. "The president feels that we must get the peace process back on track and that more progress should be made towards new agreements."

He stressed that the process is based on the "land for peace" principle, with Israel giving up tangible assets and the Arabs promising intangibles such as normalization and open borders.

See INDYK, Page 9

Meridor: I may challenge Netanyahu for Likud leadership

By MICHAL YUDELMAN

MK Dan Meridor is not ruling out the possibility of challenging Prime Minister Binyamin Netanyahu for the Likud leadership in the future. "The possibility is open," Meridor said, adding he intends "to put the state back on the right course."

Meridor and Justice Minister Tzahi Hanegbi yesterday tore verbally into each other, in what some see as the opening shot in the battle for the Likud's leadership.

Meridor, now considered the leader of the internal opposition to Netanyahu, slammed Hanegbi for his attack on Labor leader MK Ehud Barak and accused him and Netanyahu of bullying and brutal behavior.

"The trouble with them is they think what Hanegbi did is legitimate," Meridor said. "Hanegbi's address [in the Knesset] proves he and Netanyahu learned nothing in the past year."

He blasted Hanegbi for "using a newspaper article to slander Barak and accuse him of a grave falsehood [in the Tze'elim-2 affair]. I believe the IDF chief of staff, who said these things never happened and are a lie."

Meridor said the war going on now is about the Likud's character and may be a historic one. He did not say openly he would run against Netanyahu for the Likud's leadership, but stressed he will act so that in the next elections the public has an alternative to Labor and Netanyahu, "because the people of Israel deserve a better candidate to support."

Meridor said he "is disturbed by the phenomena that our society has been facing. There is a threat on society's fundamental, agreed-upon values. I want to stay in public life to fix what is possible and to return us to a correct and better path."

Hanegbi retorted that from yesterday, Meridor has turned into "the tireless subverter undermining the government" and called on Meridor to resign from the Knesset and return his mandate to the Likud if he couldn't be loyal to the party and prime minister.

"Whoever thinks a justice minister must be anemic, nerdy or a hertzof, as one former justice minister was [referring to Meridor], is making a mistake," Hanegbi said.

After resigning from his post as finance minister last week, Meridor spearheaded the "rebellion" of Likud MKs who did not support the government at the no-confidence vote on Tuesday.

Meridor met Third Way MK Alex Lubotzky yesterday to discuss Lubotzky's initiative to form a central-right body as an alternative to the Likud.

Lubotzky said he saw Meridor as an excellent candidate for prime minister at the head of such a body, in which the Third Way would be the central party. "We must provide the Israeli voter with more alternatives in the elections for prime minister," he said.

PM seeks to clear air with Levy today

By JAY BUSHINSKY and MICHAL YUDELMAN

Prime Minister Binyamin Netanyahu is scheduled to confer with Foreign Minister David Levy today in an apparent bid to clear the political air within the coalition and keep it intact. If the two iron out their differences, the way will be paved for Netanyahu to present his planned cabinet changes to the Knesset next week.



David Levy (Israel Sun)

Mordechai: PA wants to escalate violence, Page 2

The meeting was finally arranged by Levy's assistant, Ya'acov Bardugo, and Netanyahu's assistants, after two days in which all Netanyahu's efforts to meet Levy or even speak to him on the telephone were rejected.

Channel 1 reported that Levy intended to boycott Friday's weekly cabinet meeting, but his talks with Netanyahu may obviate this move.

Sources close to Levy said the crisis was triggered by the planned cabinet reshuffle, which Netanyahu decided upon without consulting Levy. But this was only the latest of the many obstructions in the working relations between the Prime Minister's Office and the Foreign Ministry, and between the prime minister and his foreign minister, who felt pushed out of the peace process and the decision-making process altogether, the sources said.

Levy's Geshet faction also has expressed profound dissatisfaction with the government's performance on social issues. This resentment came to a head when Levy and his fellow Geshet members stayed away from the chamber during Tuesday's no-confidence vote.

Levy, moreover, objects to adding National Infrastructure Minister Ariel Sharon, whom Netanyahu wants to appoint finance minister, to the "inner cabinet," which consists of the prime minister, Levy, and Defense Minister Yitzhak Mordechai. Levy and Mordechai are both said to be concerned that Sharon's getting a key cabinet position will endanger any hope of resuming the negotiations with the Palestinians.

Levy's critics contend that he spends relatively little time at his ministry and has not been easily accessible to foreign counterparts eager to shore up their economic and political relations with Israel.

On the other hand, the government sources said that while Levy has been "kept abreast of every-

thing" he may resent being less visible media-wise than he deems appropriate to his ministerial role.

Another irritant in the uneasy Netanyahu-Levy relationship is the likelihood that Mordechai will be put in charge of the next round of peace talks with Syria, while Levy again will have to remain on the sidelines.

Meanwhile, Mordechai's office issued a statement saying that no security issues were discussed in his latest one-on-one meeting with Netanyahu, and that only routine issues were raised.

"It should be emphasized with regard to a report that someone in the security establishment said that 'An explosion is possible in the territories, perhaps within a matter of hours,' that no such statement was made by any authoritative security official," the statement said.

Meanwhile, Labor MK Haggai Merom yesterday called on Mordechai and Levy to resign from the cabinet and force new elections in order to prevent the collapse of the peace process and the eruption of war.

Merom said that Levy, "with his sharp political senses, knows we're heading towards the complete collapse of the peace process and the eruption of war. He senses that the addition of Ariel Sharon to the security cabinet, [joining] himself, Mordechai, and that irresponsible prime minister, could lead to a most terrible and dangerous situation."

If both these ministers, whom the public loves and trusts more than the prime minister, leave the government, it will fall, Merom said, and then there will be a better one.

"They can form such a government. The security situation obliges us to send out a warning to stop being preoccupied with political intrigue and open our eyes to the awful conflagration which is about to happen, in a few days or weeks," Merom said.

NEWS

in brief

Livnat: I considered resigning

Communications Minister Limor Livnat told Channel 1 yesterday that she had seriously considered resigning her post after Dan Meridor resigned as finance minister, but said while she had serious criticism of Prime Minister Binyamin Netanyahu, he had not totally lost her confidence.

Meanwhile, police said there is a suspect in the hanging of anti-Livnat signs along the Tel Aviv-Jerusalem highway earlier this week. Police also were checking whether the printing house that printed the signs was more deeply involved in the incident.

Itim

Major military exercise on Golan Heights ends

The IDF has just completed a major military exercise on the Golan Heights involving infantry, armor, artillery, engineers, anti-tank and anti-aircraft units. The exercise, which lasted a number of days, was aimed at raising the ability of units to fulfill their missions in emergency situations. In addition, it was aimed at training coordination between army units and between branches. The IDF said the annual exercise culminated training stages for each of the units, which were now able to participate in running security tasks. The exercise was observed by top IDF brass, as well as President Ezer Weizman and members of the Knesset Foreign Relations and Defense Committee.

Arieh O'Sullivan

Two killed, five injured in Upper Galilee crash

Two people were killed and five others injured when a car collided head-on with a commercial vehicle on the road between the Amiad and Kadurim junctions in Upper Galilee yesterday afternoon. Police said it appeared that the car, in which the driver and passenger were killed, had swerved out of its lane and crashed into the van travelling in the opposite direction.

The five occupants of the van were treated at the scene by Magen David Adom paramedics and later evacuated by ambulances to a hospital.

David Rudge

Antiquities Authority rejects compromise

Antiquities Authority Director-General Amir Drori yesterday rejected a proposal to form a committee empowered to resolve all disputes relating to religious objections over whether work can continue at an archeological dig, the Education Ministry said yesterday. Representatives of the Education and Religious Affairs ministries presented the proposal, which means to deal with incidents in which graves are believed to have been uncovered at a dig. It was discussed at a meeting that included Drori and Attorney-General Elyakim Rubinstein.

Itim

Supreme Court upholds murderer's sentence

The Supreme Court yesterday rejected Fama Bashir's appeal against her four life sentences for murdering her stepmother and her stepmother's three children.

The court rejected Bashir's claim that her father had forced her to murder them, ruling that her life had not been in immediate danger and she could have fled to the police.

Itim

IDF denies joint naval maneuvers with Turkey

The IDF Spokesman denied the reports from Syria that the Israeli and Turkish navies were currently conducting joint maneuvers in the eastern Mediterranean.

The denial came after Syrian Foreign Minister Farouk Shara condemned Israeli-Turkish naval maneuvers being conducted off the Syrian Mediterranean coast city of Latakia. Addressing a plenary session yesterday of foreign ministers of the so-called Damascus Declaration states (Syria, Egypt, and six Gulf Arab countries), he expressed surprise at plans by the US, a sponsor of Arab-Israeli peace talks, to take part in the naval games at a later stage.

Last week, five Turkish naval vessels called at the Haifa port at the tail end of a unilateral exercise. Israel and Turkey are expected to conduct joint maneuvers later this year, along with the US.

Arieh O'Sullivan

RELIGIOUS

Continued from Page 1

Among the religious freedoms that had been protected under the 1993 law were: the right of Jehovah's Witnesses to avoid taking a loyalty oath as a condition of state employment in California; the right of a Native American guard in a New York prison to refuse, for religious reasons, to cut his hair;

and the right of the Amish in Wisconsin to refuse to post bright orange safety triangles on their horse-drawn buggies, which the Amish said were too "worldly."

Sixteen states supported the town of Boerne, saying the 1993 law has posed a problem for prisons, which have faced a rash of lawsuits in which inmates challenged regulations on clothing, diet, hair length and other aspects of prison life as violations of their religious beliefs.

'No plan to retake PA territory'

By JON IMMANUEL and LIAT COLLINS

Defense Minister Yitzhak Mordechai yesterday announced that the security establishment had no intention of heightening tension in the field, following reports that the IDF had a plan to reoccupy territory ceded to the Palestinian Authority and PA warnings that this would mean war.

An Israel Radio report that the Civil Administration had held a simulation exercise which included the invasion of PA-controlled towns and the arrest of PA leaders was denied by the administration itself Tuesday, but created top stories in the Palestinian press yesterday.

West Bank Preventive Security chief Jibril Rajoub said in Hebron yesterday that "if your extremists try to conquer the territories in which we are now, I am sure you will not be received with rice or roses but by a more suitable reaction on our part. But you know there are senior members in the Likud who have no faith in the prime minister, so how do you expect me to believe him."

Knesset Interior Committee chairman Sallah Tarif (Labor), who was with Rajoub in his office at the time, nodded and said Mordechai was also among the senior Likud officials who had lost faith.

Rajoub's warnings were repeated in different forms by other senior PA figures.

Tarif visited Hebron yesterday and met last night in Ramallah with PA Chairman Yasser Arafat.

"I feel that the situation is on the edge of an abyss because of the government's policy, and I am gratified by the self-control exercised by the defense minister and foreign



Palestinian Police Commander Nasser Yusuf (center) appears before the Knesset Interior Committee meeting yesterday, sitting between United Arab List MK Taleb a-Sanaa (left) and committee chairman Sallah Tarif. (Isaac Harari)

minister while the prime minister is conducting an irresponsible policy," Rajoub said.

Tarif said the government should immediately stop settlement building and warned of the danger of appointing Ariel Sharon as finance minister.

"There is great concern that the cabinet changes will lead to a still harsher policy; there is simply no faith left in Netanyahu," Tarif said after a private meeting with Arafat.

Arafat said he would like to meet Labor Party leader Ehud Barak as

soon as possible to clarify the situation.

Earlier in the day, Palestinian Police Commander Nasser Yusuf appeared before the Knesset Interior Committee for a discussion on the conditions of security prisoners.

Yusuf complained of Israel's use of administrative detention and of the conditions in which prisoners are held. He said there are 247 Palestinians under administrative detention who have not been charged, despite the long period they have spent in prison.

Bill applying Israeli law to settlements passes 1st hurdle

By LIAT COLLINS

Against the government's wishes and almost without the opposition noticing, a bill by MK Benny Elon (MoleDET) which would apply Israeli law to the Jewish communities of Judea, Samaria and Gaza passed preliminary reading in the Knesset yesterday by 21 votes to three with one abstention.

The bill was referred to the Knesset Law Committee, chaired by Shaul Yahalom (National Religious Party), to be prepared for further readings, but it is unlikely to pass all three readings easily or any time in the near future.

It would in effect place under Israeli sovereignty the local councils in all those areas not under Palestinian Authority control in

Judea, Samaria, the Jordan Valley and Gaza, which currently are governed by the military government and emergency regulations.

A similar bill was raised in the last Knesset by Ariel Mayor and former Likud MK Ron Nahman.

Meretz whip Haim Oron later admitted to reporters "a feeling of failure" that the opposition had missed the vote.

"Elon finished speaking and the voting started before we had time to get there, and the law passed preliminary reading," Oron said. He said he would do everything to ensure it did not pass further votes.

Margot Dudkevitch adds: Declaring it "a first step in the right direction," for the final status talks, leaders of the Council of Jewish Communities in Judea,

Samaria and Gaza greeted the passage of the bill's preliminary reading.

Council spokesman Yechiel Leiter said that if the bill is eventually passed then all local and regional Jewish Councils would be under Israeli jurisdiction and not just Israeli military control, the situation at present.

"It is not the same as sovereignty," he said.

Leiter added that 7% of the territories is currently under Palestinian Authority control and nothing under Israeli jurisdiction.

A statement issued by Peace Now said that "30 years of occupation has allowed settlements to flourish in dangerous levels without such a bill" and called it another part of the "hunt" to destroy the peace process.

Mordechai: PA wants to escalate violence

By LIAT COLLINS

Defense Minister Yitzhak Mordechai yesterday told the Knesset plenum that members of the Palestinian Authority want to cause a flare-up leading to a confrontation with Israel.

"The situation is undoubtedly sensitive and can bring about a serious flare up," Mordechai said.

His assessment contradicts the one IDF Chief of General Staff Amnon Lipkin-Shahak presented to the Knesset Foreign Affairs and Defense Committee on Tuesday, when he said the PA is trying to prevent bloodshed and is not interested, at the moment, in violence.

Mordechai, answering motions on the situation in Hebron and Gush Katif, said, "I believe there is a desire by Palestinian Authority people, and definitely by violent elements on the ground, to ignite the area, bring about confrontation and bloodshed, and an escalation ... to bring about a situation in

which the escalation gets out of control and serious incidents take place."

He said the freeze in the diplomatic process created misunderstandings on the ground.

"Every side interprets the events differently," he said.

He said Israel would do everything possible to avoid violence, saying, "The skill is to put out the fire and not adding to it."

"We can reach within days any place in which there are conflicts to solve the problem," he said.

In a different speech, Mordechai said Israel is willing to discuss with Syria ways of ending the conflict, "but unfortunately all our calls have gone without the necessary answers, openness, and willingness to move this process."

In answer to a question by MK Abdul Malik Dahamshe (Democratic Arab Party), Mordechai said joint maneuvers with Turkey are not aimed at any country in the region.

He also said the IDF is prepared to deal with threats from missiles.

Man dies in PA custody

By JON IMMANUEL

A Gaza man arrested three days ago by a Palestinian security force, apparently for insulting the wife of an official bodyguard, was taken to a hospital brain dead

hours after his arrest, having been struck the head.

Nasser Radwan, in his early twenties, was arrested after a personal dispute with a member of the Presidential Security Guard, Mahmoud Zayyad. Zayyad is a bodyguard for Col. Abu Nasser Freihat, who appears to have ordered the arrest.

Radwan was incarcerated in a house known to be used for interrogations by the presidential guard, also known as Force 17.

According to Radwan's family, Zayyad was angry with Radwan because he spoke rudely to his wife.

Naveh offers material on land-dealer murders to human rights groups

By JAY BUSHINSKY

Information concerning the murders of Arab land dealers who were accused of selling land across the Green Line to Jews was made available to human rights organizations by Cabinet Secretary Danny Naveh.

"This incredible behavior is directed against Jews and smacks of antisemitism," Naveh said, presenting a file of documents concerning these murders, which was prepared for distribution to interested groups abroad.

"We expect these organizations to adopt measures to inform the Palestinian Authority that they are horrified by such actions."

Naveh said everyone who is concerned about human rights should try to bring an end to these heinous deeds.

Included in the file is an open letter Naveh wrote in his capacity as head of the government forum against antisemitism. In it, he contends that the killings are a clear violation of the interim agreement between Israel and the Palestinians.

The file also contains a chronological summary of the three known killings dating back to May 8, quotes from Palestinian leaders who justify capital punishment for the sale of land to Jews, official statements on this issue by Israelis, Jordanians, Americans and Palestinians and newspaper columns condemning the murders.

Speaking at a news conference, Naveh refused to discuss the motives Israelis may have in trying to purchase land from Palestinians. Instead, he declared that "Jews have the right to buy land anywhere in the Land of Israel."

Settlers to postpone Morag demonstration

By MARGOT DUDKEVITCH

At the request of Defense Minister Yitzhak Mordechai, leaders from the Council of Jewish Communities in Judea, Samaria and Gaza and the Land of Israel Front agreed to put off a demonstration planned in the Gush Katif settlement of Morag tomorrow.

A council spokesman said it appears the pressure placed on the government to solve the issues in Morag have finally paid off. However, he warned that if nothing was done, then council leaders and the Land of Israel Front would renew their plans. "We feel obliged to give Mordechai a chance to deal with the issues."

According to council secretary general Aharon Domb, Mordechai asked in a meeting to cancel the planned protest and allow IDF forces to remove the Palestinians from Morag.

Mordechai's media coordinator

Avi Benayahu said that in the meeting, which was initiated by council leaders and Knesset members, Mordechai said the security forces needed to solve the pending issues in Gush Katif.

Meanwhile, Gush Katif spokesman Shlomo Kostiner said he understood the protest had been put off for a week. Regarding reports that the memorial erected recently at Gush Katif Junction for Sgt. Yehuda Levy, killed in last September's riots, will be removed, he said that Gush Katif residents would under no circumstances allow that to happen.

Liav Collins adds: In answer to a parliamentary question by MK Benny Elon (MoleDET), Mordechai admitted that the IDF is negotiating with the Palestinians about moving the memorial. He said no agreements had been reached yet and the family's sensibilities are being taken into account.

Our beloved
Dr. NETANEL LORCH
passed away.
The funeral will leave from Beit Halvayot Hahadash (Har Hamenuhot) today, Thursday, June 26, 1997, at 3:30 p.m.
He will be sorely missed.
The family:
Erika, Amnon, Yahlil, Yiftach, and families.

With deep sorrow we announce the passing of our dear mother and grandmother
RACHEL TURK רחל
the widow of Rabbi Naftali ז"ל
Her coffin will arrive today at 5:00 p.m.
The funeral procession will leave from the Kehilat Yerushalayim funeral home (in front of Herzog Memorial Hospital) in Givat Shaul for Har Tamir.
Shiva at her daughter's home.
The Turk-Hirschfeld families
Details: 052-867-830 or 02-582-2001

On the *shloshim* of his untimely passing we extend heartfelt sympathy to the bereaved family of
Dr. MANFRED LEHMANN מנfred
one of the founders and executive officers of the Menachem Begin Heritage Foundation
Remembered with affection and respect by his colleagues on the Board

Ministry of Religious Affairs
Christianity Communities Division, Minorities Department
Announcement
The Christian Communities Division is temporarily moving to
5 Ben Yehuda Street, 2nd Floor, Jerusalem
Tel. 02-625-9850
Reception hours: Sunday - Thursday, 9 a.m. - 12 noon.
The division will soon move to its permanent premises.

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on the dedication of
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مكاتبنا في القدس

Barak, opposition slam Hanegbi

NEWSLINE

With Rami Tal, Yediot Aharanot journalist

By ALLISON KAPLAN SOMMER

What was your reaction when you heard that Justice Minister Tzahi Hanegbi had your article up and accused Labor leader Ehud Barak over it?

The truth is that I wasn't so shocked because a week ago, the prime minister's spokesman, Shai Bazak, in a radio interview, brought up Tze'elim 2 out of the blue. That was a signal that this story will come back.

You wrote yesterday in your newspaper that you object to the way in which Hanegbi used your article. What exactly bothered you?

I see it as perfectly legitimate to use anything that a candidate for prime minister has done in the past against him or in support of him.

I don't object to the fact that Tzahi Hanegbi used Tze'elim 2 against Ehud Barak. Tze'elim 2 is not one of the things Barak should be proud of in his military career.

But I object to his contention that we wrote that Ehud Barak ran away from the scene. There is no proof that Barak ran away, he didn't run away from anything.

It was not a combat situation. There was nothing to run away from. The words "run away" or "abandoned the wounded" used by Hanegbi were not mentioned in the article.

What was said was that some soldiers on the scene thought that then-chief of staff Barak did not behave as

he should have; meaning that he did not approach the wounded, did not say anything to them, as opposed to other generals on the scene who went to the wounded and spoke to them and tried to console them.

There is a difference between the other charges in the articles, which were based on documents and other evidence, as opposed to this, which was based on testimony from some of those soldiers.

This was legitimate testimony, but I don't doubt there are other perspectives.

If you were to write the article today, would you write it differently?

Only a fool would say that he never made any mistakes and that he would never change anything he did in the past. I hope I am not a fool. Looking back, I would have made some minor modifications, I would have had different emphases. But basically, I think that what was written in that investigative report was correct and reflected what happened as far as a journalist can approach truth, it was certainly a conscientious effort to represent the truth.

I know some things now that had I knew then, I would have modified, but I would have written the article and I think Yediot Aharanot did a service to Israel and to democracy by publishing it. That doesn't mean that I condone the cynical use of the investigative report in the way it was used yesterday [Tuesday].

By LIAT COLLINS and MICHAL YUDELMAN

Labor leader MK Ehud Barak said yesterday, in reaction to Justice Minister Tzahi Hanegbi's accusation against him during Tuesday's no-confidence motions, that he was more determined than ever to end the days of this government.

He said the accusations hurt him, noting "I now understand better what [Defense Minister] Itzik Mordechai went through when he was accused of murdering the terrorists in the [1984] bus 300 incident."

Addressing Prime Minister Binyamin Netanyahu, Barak said "Bibi, he who rides on the back of a gutter thug will find himself ultimately in the gutter."

Labor whip Ra'anan Cohen filed a complaint with the Knesset Ethics Committee, chaired by Yehuda Lankri (Gesher), noting among other things that Hanegbi was aware that State Comptroller Miriam Ben-Porat is investigating the affair and had not yet published her findings.

In the morning, the plenum was the scene of another uproar, started when Meretz whip Haim Oron noted that the current IDF Chief of General Staff Amnon Lipkin Shahak had questioned Hanegbi's version of the Tze'elim 2 training accident and Barak's behavior.

The chief of general staff said the justice minister is a liar, because anyone who says the wounded and dead were abandoned at Tze'elim is lying," Oron said.

Hanegbi countered by asking Knesset Speaker Dan Tichon who first came up with the phrase, "Barak fled."

Tichon answered it was first coined by Meretz leader Yossi Sarid, but later noted that Sarid had used it when Barak was absent for the controversial vote on the conversion bill at the end of March and not in relation to Tze'elim.

Eitan Cabel (Labor) and Hanegbi later argued when Cabel said even Likud colleagues had accused Hanegbi of "hooliganism."

During a preliminary reading of a bill by Cabel which would restrict the president's rights to grant Yigal Amir clemency, Cabel



Justice Minister Tzahi Hanegbi and MK Dalia Itzik, head of Labor's response team, talk in the Knesset corridors yesterday. (Isaac Haran)

accused Hanegbi of being among the major inciters before former prime minister Yitzhak Rabin's assassination.

In his response, Hanegbi said

that "although I am only 50 percent or less of Yemenite extraction, Cabel's behavior is an embarrassment to all the Yemenite community, because the Yemenites, as far as

I know, are balanced and reasoned people, and the stupidities we've heard today from Cabel are simply on a low level."

Meanwhile, MK Dalia Itzik, head of Labor's response team, said the party will not abandon the "arena of violence" to the right wing anymore and intends to react firmly and powerfully to any act of incitement or violence against its leaders. "No more good guys," she said.

Itzik said "the Netanyahu-Hanegbi twosome have learned nothing from past events. One thing is clear: we will not let the right wing incite against us without responding adequately anymore."

Ran Cohen (Meretz), chairman of the Knesset State Control Committee, called on Hanegbi to resign in view of Shahak's statements. Meanwhile, a group of some 25 MKs from all the parties in the Knesset met quietly and politely yesterday for a discussion entitled: "An end to words of incitement in the Knesset plenum and committees." The meeting, which was the initiative of Ra'anan Cohen and Lankri, did not result in any firm conclusions.

On Saturday Night we will stop the Haredim

Tze'elim 2 victim's father praises Hanegbi; IDF ethicist slams him

By ESTHER HECHT

Some good could come out of Justice Minister Tzahi Hanegbi's attack Tuesday on Labor Party leader Ehud Barak for allegedly abandoning soldiers wounded in the Tze'elim 2 training accident, the father of one of the victims said yesterday.

"To this day, there has been no serious investigation [of the accident] from which [the IDF] could learn any lessons," said Shlomo Cohen, of Moshav Amioz.

His son, Aryeh, was one of five soldiers in an elite reconnaissance unit killed when a missile was misfired during a training exercise in November 1992. Six other soldiers were wounded in the incident.

"The timing may not have been right, and it may not be right to use [our dead] children in a political attack," Cohen said. "But I congratulate Hanegbi. I'm glad someone had the balls to stand up and say, 'The emperor has no clothes.'"

Like some parents of victims in the accident, Cohen is most frustrated by the fact that no one, even after the October 1994 IDF verdict, willingly took responsibility for the disaster.

Only junior officers were court-martialed, and, according to Cohen, their punishments were extremely inadequate.

A Tel Aviv University philosophy professor, however, says Cohen is misguided in thinking any benefit can come from Hanegbi's attack. Hanegbi generated only political hatred and a climate that could endanger Barak's life, said Prof. Asa Kasher, who in 1994 co-authored the IDF's code of ethics.

"We can't ignore recent history. We've already had two political fatalities," he said, referring to the assassination of prime minister Yitzhak Rabin in 1995 and the murder of Emil Grunzweig by Yona Avrushmi, who threw a grenade at a Peace Now demonstration in 1983.

"The case of Avrushmi is especially disturbing, because no one would have thought of him as a potential killer," Kasher said. "It was the [political] climate that made him plan and carry out the act."

Loners like Avrushmi are an even greater danger than those who belong to organizations, Kasher added, because they have no one to restrain them and because the security forces are unaware of their existence.

The bereaved parents' need to know what happened in an accident is understandable, but it will not be satisfied as a consequence of Hanegbi's attack, Kasher said. Unfortunately, the parents also have a natural desire to see a high-ranking officer punished, he added.

"But how the army improves itself and metes out punishment is a professional question that can be answered only by professionals," Kasher said.

According to Cohen, because of the IDF's statute of limitations, the parents have only four months left in which to petition the High Court of Justice to set up a commission of inquiry regarding the Tze'elim 2 accident.

"This won't bring back our sons," Cohen said, "but at least we'll be able to sleep at night knowing we've done our utmost and the IDF has taken responsibility."

During the past five generations, millions of Jews throughout the world have taken part in the great undertaking of the Return to Zion, of the establishment of the State of Israel and the struggle to protect it. After the Holocaust, many Jews gave their lives so that Jewish sovereignty in the Land of Israel would be assured. Recently, Haredi circles have been increasing their attacks on the very essence of our existence: the abusive speech by MK Arye Deri in the Jerusalem Stadium, the burning of the Israeli flag, the contemptuous attitude of the Haredim towards IDF dead, vituperative language and acts of violence against other sectors of the population, against policemen,

and the symbols of the state and its institutions. All this is being perpetrated by people who do not serve in the army, some of whom do not even work for a living but are supported by the rest of the population. Since party leaders, for reasons of political expediency, remain silent about what is taking place before their very eyes, it is the obligation of all of us, supporters of both the right and the left, to demonstrate and affirm that we will not sanction Haredi bullying tactics. We will not agree to severing relations with Diaspora Jewry because of the Conversion Bill, and we unequivocally demand that Haredim serve in the army.

No to the Conversion Bill Yes to the yeshiva students serving in the army

**Kikar Rabin, June 28, 1997, at 9 p.m.
Come to the Kikar with Israeli flags!**



Please note that this is the only demonstration in Kikar Rabin licensed by the Municipality and the police. Information on transportation to the demonstration will be published in Friday's local newspapers. Inquiries? Call Telemesser 03-365-1551. P.O. Box 14126, Tel Aviv 61141



THE HAIFA FOUNDATION
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upon the dedication ceremony of the
COMPUTER ROOM AND LABORATORY
in memory of
AVIVA NAZARIAN

Friday, June 27, 1997
10:00 a.m.
"Gordon" Elementary School
Kiryat Chaim

Mayor Amram Mitzna
Chairman

Dani Neuman
Executive Director

Russian supply ship crashes into space station Mir

News agencies

CAPE CANAVERAL - A Russian cargo ship crashed into the space station Mir yesterday during a test, causing one module to lose pressure, NASA said. The three men on board, including a NASA astronaut, were reported to be safe.

The crew watched as the Progress ship, filled with garbage, moved toward the Mir and collided into a module during a test of the docking system, said NASA spokesman Rob Navias. A solar panel on the module was damaged, and pressure began to drop inside. "It's heading toward zero," Navias said yesterday morning.

The crew hurriedly sealed off the module to prevent a further drop in pressure in the rest of the sprawling station.

Although the rest of the station initially lost some pressure, the situation has since stabilized and is back to normal - except for the sealed Spektr module, Navias said. The ship has six modules, gradually added over the years. Spektr was launched in 1995.

Navias said there was no plan to abandon Mir at this time. A Soyuz spacecraft always is docked to the station for such purposes.

The Progress, launched with crucial supplies and repair equipment in April, was supposed to redock this morning and then be jettisoned for good on Saturday, Navias said. It eventually will burn up in the atmosphere, as is normal.

NASA astronaut Michael Foale has been living on Mir since mid-May, along with two Russian cosmonauts. Foale replaced Jerry Linenger, who experienced a series of problems during his four-month visit, including a near-miss with a Progress and a fire.

Like the current Mir crew, Linenger's team was testing the docking system of another Progress more

than three months ago when the supply ship headed straight for Mir. The Progress veered underneath the station at the last minute, Linenger said.

This is not the first space collision, although it appears to be the worst ever for the 11-year-old Mir.

A supply ship brushed against the Mir before, and there have been similar circumstances involving Soyuz spacecraft, Navias said.

Foale, the fifth American to live on Mir, is a little over one month into a four-month stay aboard Mir. Space shuttle Atlantis is to pick him up in late September and drop off yet another astronaut.

Mir has experienced a series of trouble in recent months.

Besides the fire and Progress redocking trouble, oxygen generators failed, the carbon dioxide-removal system malfunctioned and the cooling system leaked harmful antifreeze.

Foale and his two Russian crewmates had just finished fixing the cooling system.

The troubled Mir is a cluttered amalgam of cylindrical modules and solar panels that has been assembled and reconfigured like a giant child's toy set circling high above the Earth.

From an original 20-ton Soviet-era building block launched in February 1986, Mir has become a sprawling space station that has received dozens of Soviet, Russian and foreign cosmonauts. The crew normally have the run of half a dozen modules with science-fiction names like Kvant-1, Priroda, Kristall, and including the Spektr unit involved in Wednesday's collision.

The core section is painted a mixture of white and homely pastel shades inside. There is even carpet because, despite the absence of gravity, crew members prefer to see a "floor" and "ceiling." Each cosmonaut has a tiny cabin with porthole.

Yeltsin fires minister in sauna scandal

MOSCOW (Reuters) - President Boris Yeltsin formally suspended his justice minister yesterday pending a probe of allegations he was filmed in a seamy gangland sauna.

Soon afterwards the interior minister, whose own department has faced criticism over how the film came to be made public, was reported to have confirmed the authenticity of the pictures and revealed that Yeltsin himself was warned of them weeks ago.

Yeltsin's decree, published by the Kremlin press service, said Justice Minister Valentin Kovalyov was suspended "in connection with the

need to carry out an investigation into media publications which discredit the minister."

There was no indication of how long that would take.

The monthly newspaper *Sovershenno Sekretno* (Top Secret) last week published grainy snapshots taken from a video which it said showed Kovalyov with naked women in a sauna in September 1995 in the sauna of a gangland nightclub.

Kovalyov, a former Communist, became justice minister in January 1995. He denies doing anything wrong but had asked the president to suspend him from duties while

he cleared his name.

Itar-Tass news agency said Kovalyov's cabinet colleagues had asked Yeltsin to sack him outright.

He has suggested the fuzzy video film, later aired by Russian television stations, could have been faked.

But Interior Minister Anatoly Kulikov, in comments reported by Interfax news agency, was quoted as saying the film was definitely genuine. Kulikov said on Monday the tape had been seized by police during the arrest

of a banker on major theft charges earlier this year.

10 years for US synagogue bomber

JACKSONVILLE (AP) - An Orthodox Jew has been sentenced to 10 years in prison for planting a pipe bomb at a Jewish center to try to prevent former prime minister Shimon Peres from speaking.

Harry Shapiro, 31, planted the pipe bomb at the Jacksonville Jewish Center in February and pleaded guilty a month later. The device, found nine days later, was a dud.

"To Mr. Peres, I apologize, for I was wrong in thinking that I should be a part of your punishment," Shapiro said in court. "Your punishment will come from heaven and no

man should or will be a part of it." US District Judge Ralph W. Nimmans Jr. sentenced Shapiro for using an explosive to threaten a foreign official, internationally protected person and official guest of the US government.

By pleading guilty, Shapiro avoided an additional federal charge of using an explosive in commission of a crime, which could have sent him to prison for another 30 years if convicted.

Police believe the device was planted Feb. 13, the day of Peres' visit, and missed by security teams. Children found the dud pipe

bomb Feb. 22.

Shapiro's attorney, Hank Cox, maintained his client never intended to detonate an explosive and that, in fact, the pipe bomb was intentionally a dud.

In a three-page statement that Shapiro read in court, he said Peres made secret deals and forced them on the Israelis to further his ambitions and ego.

"When I heard that he was coming to speak, I wrongly assumed that I had the moral obligation of trying to stop that speech by any means possible short of harming someone," Shapiro said.

At 87, Jacques Cousteau, old man of the sea, dies

News agencies

PARIS - Veteran French oceanographer Jacques-Yves Cousteau, who revealed the mysteries of the oceans to the world in prize-winning films and fought to protect the environment, died yesterday. He was 87.

President Jacques Chirac mourned Cousteau as an "enchanter," saying he was probably the best known Frenchman worldwide for his pioneering films ranging from the Antarctic ice shelf to the blue lagoons of coral atolls.

US Vice President Al Gore called Cousteau "a hero to men, women and children all over the world" as tributes poured in for a man who was explorer, ecologist, teacher, filmmaker, writer and inventor wrapped together. "He was a giant in every respect," Gore said.

Announcing his death, Cousteau's foundation said: "Captain Jacques-Yves Cousteau has gone to the Silent World this yesterday, June 25, 1997." It gave no cause of death. A memorial service will be held in Paris' Notre-Dame cathedral on Monday.

The Silent World was the name of a documentary that won Cousteau the top award at the Cannes film festival in 1956. The film was made with skin-diving gear co-invented by Cousteau in 1943, freeing divers from heavy helmets to float as if in space.

In his trademark sea-blue tunic and red beret, the hawk-like Cousteau became internationally famous through books and films, particularly the US-sponsored television series *The Undersea World of Jacques-Yves Cousteau*, first broadcast in 1965.

Cousteau, who spoke English with a thick French accent, toured the world in the *Calypso*, a converted British minesweeper equipped with a marine laboratory.

From the Antarctic - huddled up watching penguins in a snowstorm - to the Amazon or the depths of oceans surrounded by colorful fish, Cousteau won a worldwide reputation as a champion of the environment.

He was regularly voted France's most-loved public figure in opinion polls. In a tribute, Chirac expressed "great sadness."

"An enchanter has just left us," he said. "On behalf of all our compatriots, I would like to express my admiration and gratitude to the family of the world's most famous Frenchman for a life and work in the service of a cause."

"This former navy officer was in the tradition of the ocean explorers whose life seems so like a legend," he said.

In one of his last campaigns, Cousteau joined international



Jacques Cousteau

(AP)

protests against Chirac's nuclear testing in the South Pacific in 1995.

Socialist French Prime Minister Lionel Jospin said: "The planet has lost one of its best known defenders. Creator and pioneer of French oceanography, he never ceased to promote the richness of subsea nature, of which he was one of the great teachers up to the end."

The newspaper *Le Monde* hailed Cousteau as "Captain of the Oceans" and, drawing on Hemingway, entitled his career *The Old Man and the Sea*. It quoted him as having said: "In life, there are two vital liquids - water and money. You have to use both." Cousteau, who

acquired a rudimentary movie camera at the age of nine, won a string of prizes for his films, including three Oscars and three awards at Cannes. Detractors called him a publicity-seeker with little scientific training.

Cousteau's most recent invention was a wind-powered vessel with smoke stack-like devices which suck in air currents and redirect them through vents and vanes to propel the craft forward.

Born on June 11, 1910, in the southwestern wine-growing region of Bordeaux, Cousteau spent his childhood in Paris and New York, and studied at the naval academy in Brest, France.

The UN Earth Summit paid tribute to Cousteau yesterday and its chairman called him "one of the giants of our time."

Razali Ismail, Malaysian president of the UN General Assembly, opened the third day of the Earth Summit by saying the world recognized Cousteau "as one of the giants of our time, committed to the welfare of the planet and its environment."

French Environment Minister Dominique Voynet told the summit Cousteau was "undoubtedly the best known Frenchman in the world."

She added: "Today we are saddened of course but we are convinced that the best tribute one could pay Jacques-Yves Cousteau would be to ensure that France as a whole in the future became celebrated for its work to ensure sustainable development - environmentally-friendly economic growth."

Impassive Chinese watch British farewell

HONG KONG (Reuters) - Impassive Chinese crowds watched politely as British marching bands played a musical farewell yesterday to Hong Kong, last remaining outpost of a far-flung empire on which the sun never set.

The Chinese, apparently there from curiosity or sentiment, were in a majority among a 30,000-strong audience that packed a Hong Kong stadium six days before Britain hands back to China the territory seized in 19th century Opium Wars.

A lone bagpiper launched into a haunting lament and Britons rose to sing their national anthem, "God Save the Queen," in a land where the Chinese will regain control of their destiny.

In a free concert, massed bands of the British armed forces heralded the end of a century and a half of colonial rule in Hong Kong.

The Chinese, contemplating a new, uncertain future, seemed bemused as the British chorused "Rule Britannia, Britannia rules

the waves, Britons never, never, never shall be slaves."

Joseph Yeung, who fled to Hong Kong from the mainland as a child just after the communist takeover in 1949, said: "I do feel sad. That is true." But he was ready to trust the rulers of China today: "We used to worry about the communists but they are more open now."

Exporter Patrick Budden, a 20-year-resident of this free-market paradise said: "I don't feel any sense of jubilation. I am cautiously negative."

The Hong Kong government earlier moved swiftly to allay public concern that Chinese soldiers had taken up security duties a week before Britain hands the territory to Beijing.

Excited photographers snapped a contingent of mainland troops at the newly-built June 30 handover venue, believing they were highly-trained security experts inspecting the area.

But they were simply members of a People's Liberation Army

(PLA) orchestra set to join the planned festivities, the government said, insisting that only police controlled security.

The incident caused a stir - the fourth involving the PLA in Hong Kong in as many weeks, prompting newspapers to suggest the military get media-trained aides to avoid misunderstandings.

Hong Kong's government-in-waiting was handed a twin victory yesterday after the United States extended trading privileges to China and a British attempt to organize a boycott of its swearing-in ceremony crumbled.

News that the US House of Representatives had voted to renew Beijing's Most Favored Nation (MFN) trading status for another year was a major boost to Hong Kong, which lives off trade with the mainland.

The new government of Hong Kong, which Britain hands to China in a midnight ceremony, will be freed from fears of being caught in the middle of a trade war

between the world's most populous and most powerful nations.

Separately, Washington announced that its consul general in Hong Kong would attend the investiture of the Beijing-picked legislature that will push aside a democratically-elected body.

US Secretary of State Madeleine Albright reaffirmed she would still shun the event, but Britain's bid to organize an international boycott lay in tatters.

A British Foreign Office spokesman in Hong Kong indicated that London, too, may relent and send an official - although not visiting Prime Minister Tony Blair or Foreign Secretary Robin Cook.

Pro-democracy legislator Emily Lau cautioned Britain and the US by commenting: "I certainly hope (they) will reconsider the position because it may send the wrong signal. It may give the other side the impression that some people in the US administration actually endorse the setting up of this illegal body."

Cambodia cool on US bid to try Pol Pot

PHNOM PENH (Reuters) - Cambodia's First Prime Minister yesterday appeared to reject US efforts to bring Khmer Rouge leader Pol Pot before an international tribunal, saying the country should not get involved in Cambodia's affairs.

Prince Norodom Ranariddh said the interests of Cambodia were paramount when it came to deciding what should happen to the guerrilla strongman.

"I am very respectful to China and very respectful to the United States but please don't get involved in our internal affairs," the prince told reporters.

"Everything must be done in conformity with the interests of Cambodia and the people

of Cambodia," Ranariddh said. He did not elaborate.

The United States was studying ways of bringing Pol Pot to trial on genocide charges, assuming he can be taken into custody, State Department officials said.

China hinted it was opposed to the idea. A Chinese foreign ministry spokesman said Pol Pot's fate was an internal affair.

"It should be decided by Cambodians themselves without foreign interference," Chinese Foreign Ministry spokesman Cui Tiankai told reporters in Beijing.

Political analysts said China might be cool to an airing of information about its own dealings with Pol Pot.

Beijing was a key supporter of the Khmer Rouge 1975-79 "killing fields" regime. The Pol Pot government was overthrown in early 1979 by a Vietnamese invasion.

The war was officially ended with a 1991 treaty, but the Khmer Rouge, subsequently reneged on the peace process.

Ranariddh said negotiations on the fate of Pol Pot were continuing yesterday with the Khmer Rouge splinter faction which turned against their aging leader and detained him last week.

Ranariddh said yesterday a negotiator was at the Anlong Veng stronghold in northern Cambodia where Pol Pot was being detained but said there was no time-frame for his handover to the government.

A VERY DIFFERENT TWO DAYS ON THE GOLAN

Widely recognized as perhaps Israel's most important security asset, the Golan is for the moment on the back burner. But it won't be there for long. So what better time than now to join Shorashim and The Jerusalem Post Travel Club for an in-depth, English-speaking two day tour of the area. We'll visit the settlements, examine the security issues and view the terrain, the animals, the water and the beauty.

We'll visit the museum at Kibbutz Tel Katzir, Mitape Nukeib, the Byzantine church of Kursi, Mount Bental, Kibbutz Afik, Emek Habacha. We'll pick blueberries to our heart's content, look at the relooded Hula, view Nebi Yoana, Tel Kadash, Ha'Eilat, the famous Bnot Ya'acov bridge, Khan Yarda, Kfar Hanassi and the wineries of Kibbutz Amiad. A truly magnificent tour. Overnight at Kibbutz Kfar Blum, with a lecture on the wolves of the Golan.

The date: Sunday-Monday, July 13-14.

The guide: Israel Shalem.

The price: NIS 595. Includes transportation from Jerusalem or Tel Aviv and back, background lectures and on-the-spot explanations, entrance to all sites, half-board accommodation in a double room, lunch and dinner on the first day, breakfast and lunch-box on the second.

Pick-up and drop-off along the route when possible, by prior arrangement.

Reservations and further information:

SHORASHIM, POB 7588, 14 Rehov Abarbanel, Rehavia, Jerusalem 91074.
Tel. 02-566-6231 (9:30 a.m.-2:30 p.m.)
Ask for Michal, Vered or Varda.

FLAIR

Getting a head start

By GREER FAY CASHMAN

It would be interesting to discover the identity of Dan Meridor's barber. Whoever he is, he's definitely not a short-back-and-sides man. Regardless of fashion's dictates, Meridor's hair has always been poetically long, with wispy bits dancing across his forehead and behind his ears to enhance his youthful appearance.

It's possible that the former finance minister's slightly unruly mop inspired the current trend for short hair styles.

Celebrity stylist Michel Mercier seems to have bor-

rowed extensively from the Meridor look, with the difference being that the wisps are generally longer and therefore lend themselves more easily to off-the-face styles in which the hair is swept back rather than forward.

Mercier tends to favor hair lengths which are conveniently manageable and styles which are so soft and natural that they can be finger-combed.

His men's styles are slightly reminiscent of Elvis Presley, and the wisps on the forehead are much shorter than those featured

in the women's styles. The sideburns are much like Meridor's. Hezi Yoseph, who operates the Roshem Salon, is in two minds about whether to have wisps or tresses trailing on the forehead, but in both long and short styles, tries to maintain a natural, almost windswept look.

This comes across with greater conviction in the long-haired, upswept but unkempt styles which are so contrivedly untidy that the models look as if they just got out of bed.

Trying to achieve that look deliberately takes more than a little talent. If you're doing your own hair and all else fails, just brush it out.



The just-got-out-of-bed look by celebrity stylist Michel Mercier.

The end result will make your hair look neater and cleaner.

Yoseph is a little less natural with the short boyish cuts in which the soft-spiky bouffancy owes its fullness to some clever back combing and the subtle maneuvering of a hand-held dryer.

The glamorous beehives, large chignons and heavily sprayed pin curls which enjoyed a grand revival during fall and winter have been put on the back burner for summer. When hair has to be washed almost every day, styles have to be kept as soft and as simple as possible.

Almost as rare as a glimpse of the castle ghost is a glimpse of the elderly Lord St. Levan, who has his own discreet pathway up the mountain to a private entrance at the castle gate. However, our group of visiting Israeli journalists had the honor of being invited to his private quarters which are surprisingly modest.

In a spacious reception hall, his lordship pours glasses of wine and exchanges pleasantries about commuting to the House of Lords in London (he never stays the night, but returns on the night train), and his various activities including a Boy Scout meeting he has promised to conduct that afternoon ("so sorry I can't stay and chat for longer").

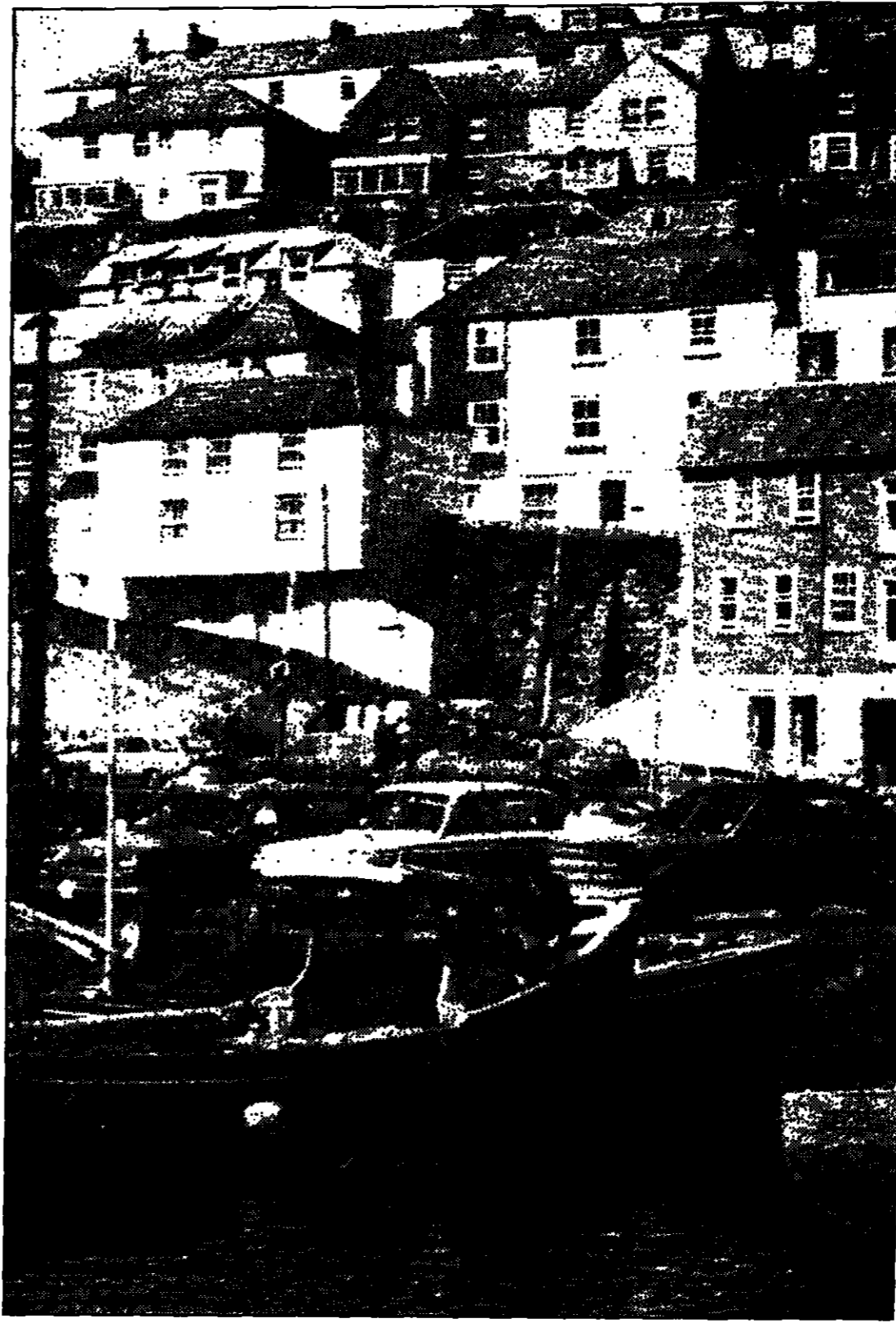
His lordship scurries down the steep mountain slope to the waiting boat below and nimbly hops in. Little do the last of the guests coming back from a tour of the castle guess that the white-haired elderly man looking after the tiller while the boat-boy collects fares from the passengers, is no less than lord of the castle himself.



TRAVEL

The Wild West of England

Castles, ghosts, swirling mists and the stuff novels are made of await visitors to Cornwall and the West Country, Michal Yudelman writes



Megavissey, Cornwall.

Lord St. Levan stands at his castle window nursing a glass of white wine and scanning the blue English Channel far below. The fairytale castle looms through the misty air atop St. Michael's Mount, an island of craggy granite rising majestically from the sea to dominate Mount's Bay in the deep west of Cornwall.

Built in the 12th century as a Benedictine priory, the castle has been home to the St. Aubyn family since 1660. Today, except for a couple of servants, his lordship and Lady St. Levan live alone in the castle on the island. The mount itself is about 450 meters offshore from Marazion village, which claims to be the oldest township in Britain. Small boats ferry tourists between Marazion and Mount's Bay but, with the right tide, it is possible to walk across.

The castle's ancient halls and rooms yield a rich history of bloody sieges and holy pilgrimages. Its terraces and towers command a magnificent - and at one time strategically crucial - view of Mount's Bay.

Like any self-respecting castle worthy of its past, it even has its own ghost. No need for alarm, our guide assures us, this is a "warm ghost" - a friendly one that does no harm. So if you visit the castle and spot a seedy-looking fellow in period costume donning a cream cravat in one of the corridors - you have been warned.

This is the West Country. Thatched cottage villages, cream teas, historic castles and magnificent cathedrals are just part of the landscape from the rugged western coastline of Cornwall and back through Devon and Dorset.

Along the south coast to the white cliffs of Dover in the east, run picturesque fishing villages, ancient sites, historic market towns and beautiful gardens. Cornwall is a Celtic county and

culturally its native people have more in common with Brittany and Ireland than with England. The county's own Celtic language, Cornish, died out in the 18th century and has been artificially revived.

Inevitably, these seaswept coasts, rolling green landscapes and smugglers coves have inspired authors for centuries. The entire coast of Cornwall

was a warren of smugglers' coves in the 18th and 19th centuries and Robert Louis Stevenson set Jim Hawkins's first terrifying encounter with Blind Pew and Long John Silver's pirates in *Treasure Island* in a typical Cornish village inn - the Admiral Benbow.

Then came Jane Austen, Thomas Hardy, and Daphne du Maurier, whose home is one of the attrac-

tions in the town of Fowey, and whose gripping novel *Rebecca* is quintessential 1930s West Country. Today John le Carré hides out from Karla and Smiley's lamplighters in the village of St. Levan, his home near Marazion.

Plymouth, the naval gateway to Devon and Cornwall, was where Queen Elizabeth I's gallant captain, Sir Francis Drake, calmly played bowls before set-

ting sail to vanquish the Great Spanish Armada. Sir Walter Raleigh also sailed from here, as did Captain Cook of the South Seas, and Plymouth-born Scott of the Antarctic, whose ship *Discovery* took him on the fateful last run to the South Pole.

The heart of Plymouth is known as the Barbican after the gateway to the castle which once stood on the site. At the entrance to Sutton Harbor - are the Mayflower Steps from which the Pilgrim Fathers embarked in the *Mayflower* to seek a better life in the New World in 1620.

St. Ives is a delightful fishing and resort town, straight from a children's story book - and from the nursery rhyme "as I was going to St. Ives, I met a man with seven wives..." The sweet smell of vanilla-butter caramel wafts over its winding alleys. It comes from an infinite variety of fudge - a soft toffee - made from Cornish cream.

The westerly tip of Cornwall enjoys a sub-tropical climate thanks to the Gulf Stream. This is Land's End and its flora, fauna and bird life combine to create a nature lover's paradise. At the Land of Greeb is a Cornish coastal farm preserved as it was 200 years ago where visitors can pet the animals.

On the northern coast the unforgetting Atlantic has carved out a stunning coastline. On the bleak cliff tops Tintagel Castle, said to be the fortress birthplace of King Arthur. At nearby Porthcurno, in a stunning cliff-top setting, stands the Roman-style open air Mithras Theater.

A visit to the West Country is not complete without sampling a cream tea. This is the great English tradition the Empire carried across the world - fresh scones served with home-made jam and thick, Cornish clotted cream, assorted cream eclairs and buns, and of course the essential pot of strong and piping hot tea. Cream teas are best sampled in village tearooms with Laura Ashley decor and a roaring fire.

England's otherwise stodgy cooking has been the butt of jokes for centuries but, it must be said, the times have changed. A recent *London Survival Guide* notes that the great strength of modern English cuisine is that it has succumbed to the French. All the restaurants we ate in, be it hotels, inns, country houses or pubs, had excellent, rich, varied European fare from *pâté* to pasta, sirlon to shrimp, fish and fowl.

Watwick has become Britain's busiest airport and is an easy starting point to reach the West Country by plane, train or car. From Gatwick there are five daily flights to Plymouth and four to Newquay, Cornwall's premier holiday resort. There are daily flights from Ben-Gurion Airport to Gatwick. If you're moving on from here to the West Country, the expanded airport facilities also offer hotel accommodation, an express train to London and duty-free shopping, all in the same building.

CAVEAT EMPTORI

A tale of woe with a 'gem' of an ending

BY RUTHIE BLUM

Some tales of consumer woe have happy endings. This one is a "gem." On a visit to Israel from Rome, A.J. and his wife went to Padani Jewelers on Hayarkon Street in Tel Aviv to buy a custom-made wedding ring. With them they brought a sample band, purchased in Italy some months before. After describing the desired band in detail (18K gold, size 17), as well as providing the salesperson with the sample, A.J. asked for an estimate of the price. This was given after a visit by the salesperson - equipped with the details of the order - to the laboratory.

The estimate given to the couple in writing was \$300 to \$360. The estimate was written on a standard order form, a copy of which was sent to this column with the letter of complaint. The couple was told to return the following week to collect their ring.

Upon returning to the shop, A.J. and his wife were shocked to learn that the ring would cost \$600, around twice the estimated price. A.J. was furious that nobody had bothered to phone him the moment the discrepancy in price had become apparent. "The phone number where I could be reached was written clearly on the order form," he wrote indignantly.

After a discussion with the salesperson who had taken the order and another shop employee, the following solution was proposed: The couple would pay \$450, and get the VAT returned to them at the airport, on their way out of the country. (Tourists are not required to pay VAT.) A.J. turned down this offer, and left Padani's without purchasing the ring he had ordered.

"I'm very upset that I received such treatment from a jeweler I supposed was one of the most serious in Israel," he said in his letter.

General Manager Ilan Padani apologized, claiming never to have received the letter of complaint. He is also very sorry that the customer had not asked to speak to one of the managers when he came to pick up the ring.

"This was a grave error, due to the lack of experience on the part

of the salesperson, who was new at Padani's," he said.

According to Padani, the salesperson provided the laboratory with incorrect information about the ring, which led to a low estimate.

Padani claims that though he would lose money by sticking to the original estimate, the customer in this case is absolutely right, and deserves to get the ring at the lower price. Padani plans to contact the couple in Italy and tell them this.

The "pearl" of wisdom to be extracted from this consumer oyster is: Don't back down too quickly. In this case, all "putting up a fight" would have meant was demanding to speak to a manager.

THE INDUSTRY and Trade Ministry is cracking down on the bad guys again.

Hundreds of illegally copied videocassettes were discovered by ministry inspectors at a stall on Har Zion Street in Tel Aviv, and at a similar stall on Shoham Street in Netanya. Tel Aviv stall owner Ezri Hai was sentenced to six months' probation and fined NIS 2,500; Netanya stall owner Moshe Daniel was sentenced to three months' probation and fined NIS 2,500, plus an additional NIS 7,500 that he owed for having committed a previous offense.

Reproduction of these cassettes, originally distributed by companies such as Forum Films and Globus Group, is against the law.

The raid was a cooperative effort on the part of the ministry and the Council for the Protection of Cinematography Works.

Meanwhile, the Pinat Hahayal kiosk at the Kirya in Tel Aviv was fined NIS 500 for overpricing and for not exhibiting prices, and had to commit to paying an additional NIS 7,500 if the same offense is repeated in the future.

Trade Ministry director of the Tel Aviv-Central Region, Y. Danieli, said he ordered an increase in inspections due to overpricing and failure to exhibit prices.

You are invited to offer personal stories about goods and services in this country. Write to: Ruthie Blum, POB 81, 91000 Jerusalem.

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The cost of speculation

Although the shekel's recent volatility, following last week's exchange-rate move by the Bank of Israel, has caused consternation to some, it should be viewed as a necessary adjustment that is part of a long-term plan to rejuvenate the economy.

Since last Wednesday, when the central bank announced its new policy of doubling the width of the band within which it allows the shekel to fluctuate, the dollar has appreciated against the shekel by nearly 3 percent, breaking the NIS 3.5 barrier.

There are a variety of explanations for this fall in the shekel's value. Aside from the obvious effect of altering the exchange-rate mechanism, bankers have also blamed this week's coalition crisis as a factor, noting that "markets are averse to uncertainty" and that there is great uncertainty regarding the government's future.

Last week's 1.2% interest rate cut, the expiration of foreign exchange options on the Tel Aviv Stock Exchange this week and speculation over Ariel Sharon's possible appointment as finance minister and his history of favoring of fiscally expansive policies, which accelerate inflation, were also seen as reasons for the shekel's fluctuation.

To add to the confusion, some analysts yesterday were predicting that the shekel might very well appreciate back to its level of last week. The major movers and shakers in the shekel exchange market — foreign concerns who have bought shekels and invested them in Israeli accounts — are apparently staying mostly on the sidelines, maintaining their shekel investments because the high shekel interest rate is still attractive to them. If the government does not manage to cut the budget, these analysts say, and the prospects for increased inflation consequently reappear, shekel interest rates will remain high, pushing up the value of the shekel.

Given the disagreements on which direction the foreign currency market will go — and this among professional analysts, many of whom use highly sophisticated mathematical models to bolster their competing claims — it is understandable that large sections of the public are confused and perhaps even anxious over what is taking place in the shekel exchange market.

What is going on, in fact, is a large-scale structural changeover in currency movements in Israel, which is related to other economy-wide reforms. The Bank of Israel plans to allow the shekel to be a fully convertible currency next year. Such reform inevitably requires a transition period, with painful consequences for some, and we are now entering this period. Indeed, Bank of Israel Governor Jacob Frenkel deserves credit for deciding to take these steps, which are in the interest of the long-term health of the Israeli economy.

The current distorted macroeconomic situation cannot be permitted to continue indefinitely.

The ultimate source of the economy's woes lies in overdrawn state budgets over the past few years. The inflationary pressures inflicted by the deficits forced the Bank of Israel to raise interest rates.

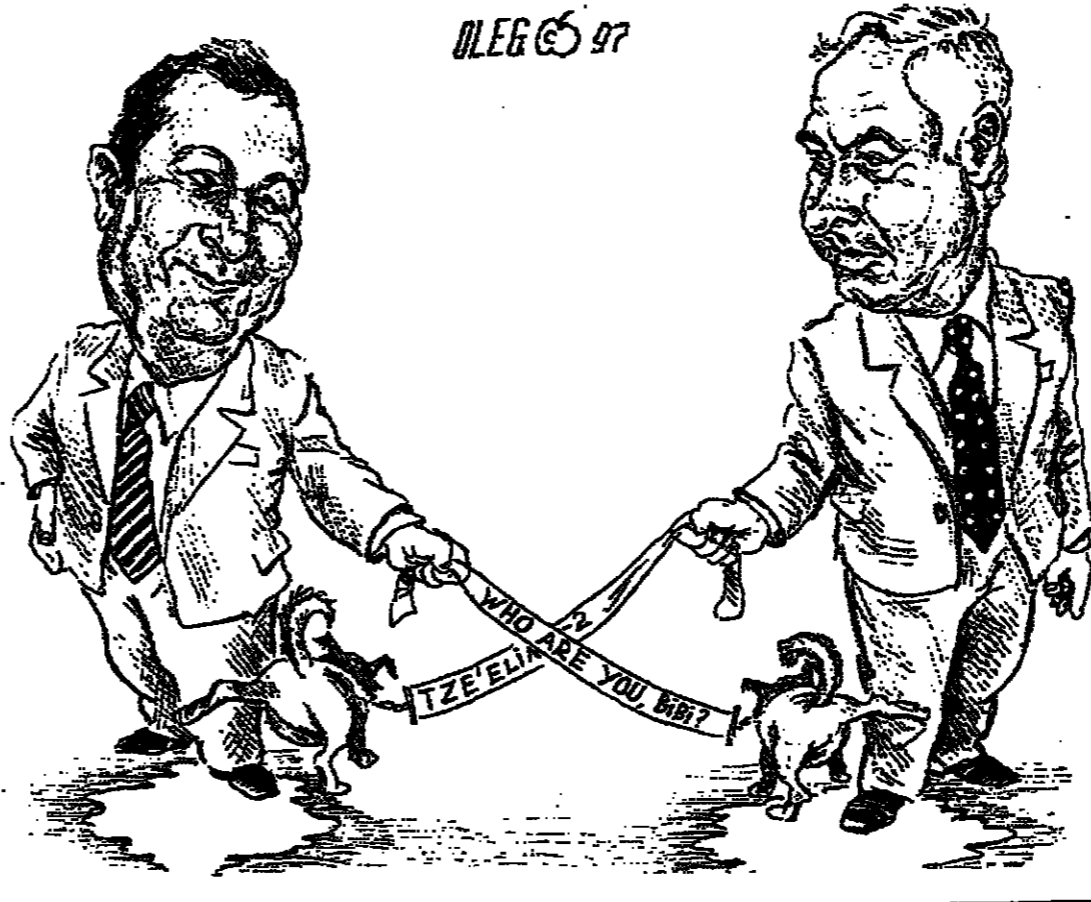
One of the costs of this policy has been the flood of foreign money into the economy, as foreign speculators took advantage of the high local interest rates. It is estimated that in 1996 alone, some \$6 billion in foreign capital flowed into Israel solely due to interest rates. Although it might seem like a good thing for foreigners to seek investments in Israel, it should be remembered that this is "easy-come, easy-go money." When the interest rate level is finally reduced, as it must be to jump-start the economy, the "hot money" speculators will pull their money out and seek other havens for their short-term investments, bringing about a harmful, rapid outflow of capital.

In addition, to maintain the shekel exchange rate against the pressures of large scale "hot money" shekel purchases, the Bank of Israel, at great expense to the state coffers, has until now been buying dollars to counterbalance the shekel purchase demands.

Those who listened carefully to Frenkel's speech last week in which he announced the new exchange rate policy, heard him stress that speculators must now "integrate" risk premiums into their decisions regarding currency trading. This is the true import of the new policy. Markets — like individuals — are risk-averse, and would prefer living in a world without uncertainty. But our reality is a dynamic one, and this needs to be reflected in market prices.

Economic reality is determined by billions of individual decisions taken the world over, which no one can possibly keep track of simultaneously. Trying to respond artificially means lagging behind developments. An efficient free market — itself composed of many independent decision makers operating simultaneously — is much better at reflecting this reality, and a situation in which the shekel fluctuates in response to true conditions actually assists corrective market forces to work on improving the strength of the economy. But building an efficient market requires that risk be explicitly taken into account.

There is a consensus today that the ideal conditions for an economy include low rates of inflation and steady, stable growth that provides employment opportunities. Israel has not reached this plateau. To do so will require first and foremost regaining control over the budget, trade and current account deficits, but establishing an efficient and free currency market is also a step towards that goal. Today there is no certainty as to what the exchange rate will be tomorrow, and those wishing to profit through currency speculation bear a real burden of risk — which is how it should be.



The phoenix rises, again

I was well after midnight when Ariel Sharon, visiting Russia a fortnight ago, met with a group of generals and senior commanders from Tamanskaya, the crack tank division.

"You taught us many valuable lessons in tank warfare 30 years ago during the Six Day War, one of them told the infrastructure minister. We had to rewrite our textbooks. What was your secret?" Moshe Dayan felt a similar admiration for Sharon, describing him many years ago as the "greatest field commander in Israeli military history."

But Sharon wasn't keen to discuss how he led his reserve force against the crack armored Egyptian division at Um Katef in the Sinai, breaking its resistance with a brilliant, unorthodox maneuver and opening the door for Israel's famous "desert victory" in the 1967 war. (America's West Point is just one of the world's military academies teaching Sharon's now-classic strategy.)

But to Sharon, it's all history. He's much more interested in the future.

So he told the awestruck Russians: "Let us toast peace, not war. Instead of talking about tanks, let us conclude a deal in which my country uses your natural gas for its energy needs." Clinging to this deal was Sharon's reason for being in Russia. He wanted to "divert" to Israel some of the \$150 billion worth of Russian gas that flows annually to Europe.

As tongues became loosened by the plentiful vodka on hand, a Russian diplomat whispered to Sharon: "I follow Israeli politics closely. How is it that your enemies repeatedly write your obituary and yet, like the phoenix, you rise from the ashes and fly high again?"

"We all know, the diplomat went on, 'how in 1973 our protegee Anwar Sadat was about to crush you. Yet you turned the tables against him.'"

"Is it true that it took a week for you to convince your high command that the only way to win the war was to cross the Suez Canal and surround the Egyptians from the rear?"

Replied Sharon, "To my everlasting sorrow, it took 10 days. We could have turned the tide of war without so many casualties, had we attacked sooner. But now," he added, "let us talk about peace." The Russian persisted: "But what about all the times your enemies have written you off?"

URI DAN
DENNIS EISENBERG

"At such times," Sharon responded, "I turn to face the pallbearers at my funeral, and fight back. It's as simple as that."

Clearly Sharon's history is mesmerizing to former enemies. The Russian scenario was replayed when Sharon visited Akaba recently with Prime Minister Netanyahu to resolve the water crisis with Jordan.

Thanks to Sharon's experience as

You can't keep a good man down. Especially not Ariel Sharon

agriculture minister (he has also held the defense, industry and trade and housing and construction portfolios) a deal with the Jordanians was struck within hours.

During the discussions, the Jordanians couldn't stop themselves from asking Sharon about the battle he fought in 1948 as an 18-year-old company commander at Latrun, which was held by the Jordanian Legion.

Remarking that it was indeed a tough assignment for a youngster, Sharon changed the subject to sheep-breeding techniques that could benefit both countries.

URI Dan, one of the writers of this column, has been on friendly terms with Sharon for most of his adult life (as he was with Yitzhak Rabin). He once asked Sharon why he challenged Time over the magazine's publication of lies about him.

Sharon's reply: "I have never shirked a fight, either for my country, or for my principles." Sharon's court case against Time "was a great moral victory, even though it could not be proved they were motivated by malice."

"I am also suing Ha'aretz for spreading lies in a 1991 article, accusing me of misleading then prime minister Begin during the Lebanon war. As with Time, it was pure character assassination."

Convinced they have a strong case against him, Ha'aretz called Maj-Gen. Avigdor Ben-Gal, who commanded three divisions in 1982, to detail Sharon's alleged perfidy. They were relying on Ben-Gal's reputation as a war

hero who had saved the Golan in 1973 from the Syrians.

And up to last Sunday, Ben-Gal was the darling of the Left. No one could have been fiercer in criticizing Sharon over his alleged misleading of Begin. Then Sunday turned out to be a remarkable day in the life of a man his critics call a has-been.

First, Netanyahu tried to persuade Sharon to accept the finance portfolio to save a crisis-stricken government. Then, virtually simultaneously, Ben-Gal caused near-apoplexy among Ha'aretz's lawyers in court.

They couldn't believe their ears when they heard their star performer confess: Fifteen years ago, I was angry with Sharon for forcing me out of the army. What I said then was rubbish; it was nonsense.

"Sharon didn't mislead Begin. On the contrary, he coordinated and confirmed his plans with the premier before the war even started. All of us who said anything else are guilty of an evil."

"I want to use this opportunity," Ben-Gal said, "to set the matter straight."

The courage needed for this confession converted Ben-Gal instantly from liberals' darling into ultimate traitor. Left-wing circles have already launched a campaign to smear his character, implying sinister reasons for his retraction.

But Ben-Gal has proved himself an officer and a gentleman in the very best sense of the term. To these writers, he said simply, "I did my duty."

Whether or not Netanyahu agrees to Sharon's demand that he widen his "kitchen cabinet" to include him in deliberations about defense and other vital state interests, Sharon's attitude is clear.

"This isn't an ego trip," he says. "I am deeply worried about our defense in light of the growing Palestinian army in the heart of Israel."

The seriousness of the issue cannot be overstated. I feel I can play a role by being directly involved in the decision-making." Sharon has more experience in running government ministries than anyone else currently in the cabinet.

As that Russian diplomat might have put it: "Woe to him who seeks to bury the phoenix."

The writers are authors of The Mossad: Secrets of the Israeli Secret Service and other books on the Middle East.

Elites

LARRY DERFNER

Before they accuse the liberal Ashkenazi establishment of treating them so badly, the more disaffected Sephardim and Russian immigrants ought to try to see how they themselves fit into the picture.

Not that the elite doesn't have what to apologize for. For decades they condescended to Sephardim, especially to the first immigrants in the '50s. Today, some liberals are too quick to see Russians as criminals and prostitutes.

But when it comes to looking down on Sephardim, I don't think you'll find this attitude as prevalent among liberal, Ashkenazi, veteran Israelis as you will among Russian immigrants.

And, from what I can gather, the stereotyping of Russian immigrants as outlaws isn't as common among the derided Israeli elite as it is among working-class Sephardim.

Am I giving away any secrets? Is it news to report that many Russian newcomers and struggling Sephardim like to badmouth each other?

Further on the subject of racism, shall we talk about popular Russian attitudes toward Ethiopians? Or the monkey sounds that more than a few Sephardi soccer fans have been known to make when black players get the ball? Or the blanket hatred of Arabs found in so many Russian immigrants and poorly-educated Sephardim?

Yet it is in the ranks of the discontented among these two groups, Russian immigrants and Sephardim, that the charge of ethnic discrimination is heard loudest today.

Why? For the Sephardim, it's the decision to indict Arye Deri in the Bar-On Affair. For the Russians, it's the investigation of suspected Russian mafia leader Gregory Lerner.

The more Deri becomes the symbol of Israeli corruption in the '90s, the more police uncover about the workings of the Russian mafia, so the Sephardi poor and discontented Russian

The politics of victimhood has gone crazy

immigrants become more convinced the establishment is out to get them.

Deri and his Russian counterpart in ethnic rabble-rousing, Yisrael Ba'aliya MK Yuri Stern, feed free to make any kind of wild charge about elitist conspiracies because they know it speaks to the resentment in a lot of their supporters, and will likely win over new ones.

The political atmosphere in Israel is wide open to this. The justice system can be accused of systematic racism, any progressive-minded Ashkenazi with a bachelor's degree can be called an oppressor, and no power in Israel is self-confident enough to stand up to it. The establishment goes on the defensive, and prays the shouting will subside. This is how one of liberalism's strengths — a readiness for self-examination and self-criticism — turns into a weakness.

When liberals come under attack from people who have no use at all for self-criticism, they can be backed against a wall. They get overly apologetic. To a liberal, especially a Jewish liberal, there is no such thing as too much guilt.

SO it is time for the Israeli establishment to state a few truths clearly:

The justice system is deservedly the honor of this country, and anybody who accuses it of racism is a slanderer.

For any and all its sins, Israel did and still does more for immigrants, regardless of ethnic background, than any other country on earth.

The poor can rightly blame the system for failing to do enough for them, but they have to admit that they bear at least some responsibility for their own lives.

The professional elite, while still dominated by Ashkenazim, is open to everyone. It is based not on ethnicity but on education. And it is swelling daily, thank God, with Sephardim and Russian immigrants.

The politics of victimhood has gone crazy in this country. It's such a proven winner of a tactic. Shas has built an empire on it, and politicians like Yuri Stern hope to do the same for Yisrael Ba'aliya. They want Sephardim and Russian immigrants, respectively, to construct their identities around their resentments, and they are making great headway.

This is a sickness spread by people with very illiberal, often racist, inclinations. And nothing gives them courage like the smell of the liberal establishment's fear.

The writer is a journalist living in Tel Aviv.

LETTERS TO THE EDITOR

TOBACCO IN ISRAEL

Sir, — Now that the US tobacco industry has been coerced into admitting what everybody knew (including its own cynicism), perhaps it is time to turn to the tobacco industry and trade in Israel.

"Perhaps," because all Israeli governments have been as cynical as the tobacco companies. Although the deleterious effects of cigarettes, as well as the addictive properties of nicotine, have been common knowledge for decades, Israeli governments have done little by way of legislation, far less in enforcement of what laws have been introduced, and virtually nothing in terms of education or public information designed to at least confront prospective smokers with the necessity of making an informed choice about the habit. Israeli minis-

ters of health, charged with administration of this minimal legislation, typically have been habitual smokers (one both a smoker and a physician!), uninhibited about smoking in public. I resist the temptation to mention the name of the lady, former minister and leader of a party dedicated to the rights of the individual, and role-model for many young people, who routinely appeared on television exhaling smoke and waving her coffin-nail, oblivious of, or indifferent to, the message she was sending to the as yet unaddicted youth.

Why has so little been done? Easy. Tobacco sales are taxed and provide an input to the Treasury. In other words, the State of Israel has been farming the bodies of smokers for tax money.

The health funds are complain-

ing perennially about their deficits, probably correctly. These same health funds (and the state that subsidizes them) spend hordes of money treating tobacco-related diseases and providing transplants of this or that organ destroyed by years of addiction-ensured exposure to the tars inhaled by smokers (as well as the nonsmokers living or working with them).

Now that the cat is actually seen to be out of the bag, it should not be beyond the creative ability of our politicians to devise a way by which tobacco producers and importers can be made to bear the costs that their product inflicts on the state, the health funds and passive users, at the very least.

STAN GOODMAN
Kiryat Tivon.

CONSENSUS

Sir, — I take issue with the comment in your leader of June 6 that the broad center in the country feels that territorial compromise must be tried (even if they are not convinced that it will work). Since territorial compromise will be found to weaken Israel strategically and make it more vulnerable in the event of attack, there are many in the country who feel that giving up land when the opposing side has failed to show a commitment to peace (but rather the contrary) would be a very risky gamble.

There are those, of course, especially on the left side of the political spectrum, who think that the gamble should be taken. However, it is a complicated issue, about which there is no broad agreement. There is a consensus in the country only as regards the need for peace — but not on how to achieve this goal.

RFONA YEMINI
Givatayim.

REPREHENSIBLE

Sir, — Yosef Lapid's total ignorance of Jewish heritage and values can be forgiven, even pitied [example: On television, on June 9, he displayed his superior erudition by berating an opponent: "Aren't you aware of Kant's imperative — One should not do to another, that which one would not like to be done to oneself." Mr. Lapid doesn't know, poor man, that our Nassi, Hillel, enunciated the dictum some 1,800 years before Kant: "That which is hateful to you, do not do to another. This is the essence of the Torah" (Babylonian Talmud, Tractate Shabbat, page 31..)].

What cannot be condoned, however, is Mr. Lapid's arrogant hate-ridden diatribe, "It just isn't my country any more" (June 13). He fulminated inter alia

BEN SHUA
Jerusalem.

POSTSCRIPTS

HUNDREDS OF people flocked to a small Nashville coffee shop to see a "miraculous" likeness of Mother Teresa — on a cinnamon bun.

Visitors lined up to stare at the cake, which was put on display in a glass cabinet after a customer who bought it remarked how its shape looked like Mother Teresa.

The bun was glazed; there was no report on the flavor. As they say, the Lord moves in mysterious ways...

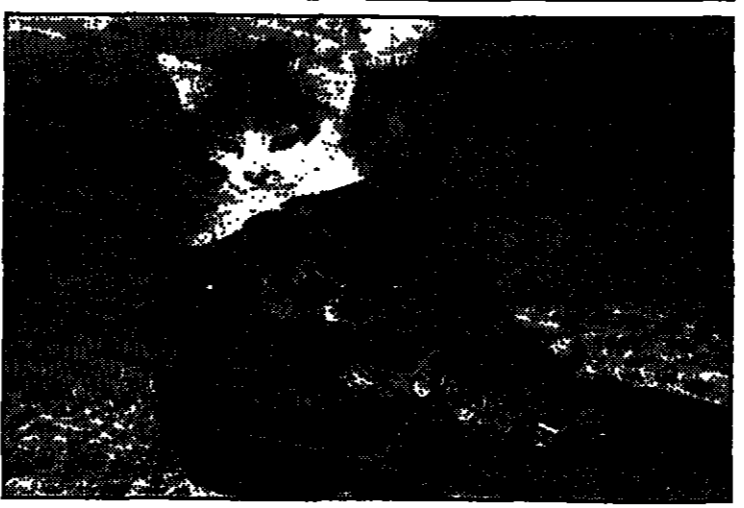
AN ITALIAN fruit and vegetable vendor, who said he had stopped paying taxes two years ago because he could not afford them, was given a bill for 76 billion lire

(\$48 million).

Officials in Campobasso served Giuseppe Scirocco, 39, with the demand at his home. His wife fainted when she heard the size of the bill.

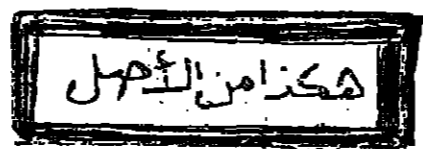
"I'm just a poor vendor," said Scirocco. "Now they want all that money and I can't even remember what a 100,000 lire note looks like."

PICTURE POSTSCRIPT



Visitors find lots of surprises in this country, even in the most unexpected places. Lionel Rasmussen, a Danish volunteer on Kibbutz Dalia, was getting dressed for a day in the avocado fields when this furry little soul popped out of her boot.

Woman magazine



On a Crusade of contrition

A group of Christians is walking across Europe to Israel to apologize for the atrocities performed by Crusaders in the name of Christianity, Haim Shapiro reports.



Members of a delegation meet with Greek Orthodox leaders in Istanbul to apologize for the atrocities committed against Orthodox Christians during the Crusades.

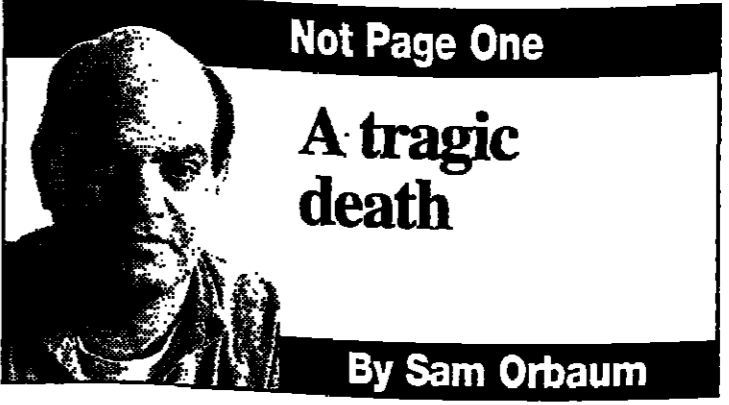
Throughout history, millions of Christians have regarded the 11th-century Crusades as a glorious epoch. At least one group, however, wants to express contrition for the atrocities committed against Jews, Moslems and others, and to do so they have embarked on a "Reconciliation Walk," following the route taken by their Crusader ancestors.

In a sense the walk is a living history lesson and an expression of the rejection by the group of the violence and atrocities committed in the past. They hope to culminate their walk in Jerusalem in 1999, to mark the 900th anniversary of the fall of Jerusalem to the Crusaders and the ensuing massacre of Moslems, Jews and Orthodox Christians.

Matthew Hand, assistant director of the enterprise, was in Israel recently to begin organizing the logistics of the walk here. The trek began in Cologne in 1996, 900 years after the first Crusaders set out, with the participants carrying a statement

of apology and repentance. The participants, he said, are mostly Europeans, with a few representatives from North America. Most are in their 30s or older and many are in groups being led by their local pastors or priests. They included Protestants and Roman Catholics.

On the way, the walkers visited the synagogue of Worms, the scene of one of the first Crusader massacres of local Jews. There they read out their apology in the synagogue, where they were met by a warm response and even tears



Not Page One
A tragic death
By Sam Orbaum

Half Kafka, half Kishon or common wisdom has it that we may be an inconsiderate people at the best of times, but at the worst, we're almost heroic in our humaneness.

non-officers were sent to inform us. "Maybe it was coincidental, but the only policeman who'd go with us was not Jewish - a Druze, or an Arab.

They sent the bill addressed to my father - billing him for his own death expenses. Doesn't anyone think over there?

get that from the police until we got the form - and they wouldn't give us the form to get his possessions, including the card ... until we got the card! It was ridiculous, a classic Catch-22.

describe our feelings in that place, it was like a scene from a horror movie. "Quick, quick" he said, and pulled back the sheet for a second and put it back. This was the moment of truth, and he wouldn't even let us look. Then he turned off the lights again, while we're in this refrigerator room!

THERE AND THEN

MK Hazan: Torn between ideologies

By SRAYA SHAPIRO

Torn between his loyalty to the Communist dream and to the Zionist hope, Ya'acov Hazan inspired confidence among his followers, and opponents alike. He was, with Meir Ya'ari, the undisputed leader of the socialist Hashomer Hatza'ir youth movement, yet Golda Meir, the inexorable Mapai matriarch, never hesitated to confide in him state matters that she had kept secret even from some of her cabinet ministers.



MK Ya'acov Hazan was a confidant of Golda Meir.

antireligious," confessed Hazan later. "I was just a religious." Like many of his comrades in school, Hazan joined the Hashomer Hatza'ir youth movement, which was then manifestly an educational framework without definite political associations.

conceal arms from the British police. However, Isser Harel, Ben-Gurion's head of security services, got wind of the process and obtained Ben-Gurion's permission to secretly observe the Mapai leaders. A microphone was hidden in Meir Ya'ari's desk. Apparently, Prof. Tzahor assumes, Ben-Gurion considered that Ya'ari, the Marxist-Leninist ideologist, was as good as lost for Zionism; but

Mapam, pushing it leftwards. Hazan noticed that Sneh was often invited to social functions at the Soviet Embassy in Tel Aviv, which Hazan and Ya'ari had also regularly attended.

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BUSINESS

in brief

Yishai: '97 jobless rate might hit 8.5%

Unemployment this year could well hit 170,000, or 8.5 percent of the workforce, Labor and Social Affairs Minister Eli Yishai said yesterday.

As a result, Yishai is calling on the Treasury for an additional NIS 105 million to expand the number of professional training courses currently on offer.

In order to discuss unemployment in greater detail, Yishai is also proposing the creation of an inter-ministerial committee comprising the directors-general of the Prime Minister's Office, Treasury, Industry and Trade and his own ministry. Unemployment reached 7.3% or 160,000 people, in the first quarter, according to Central Bureau of Statistics data published last week.

David Harris

Skapinker launching local start-up

Mark Skapinker, a founder and former president of Delrina Corp., has established a Kfar Sava-based start-up to develop software for the Internet, according to Les Abelson, the company's vice president for operations and finance.

Known as Balisoft, the company's goal is to create software that will make using the Internet more efficient and user-friendly, Abelson said.

In 1995, after building the Toronto-based Delrina Corp. into a leading manufacturer of software for personal computers, Skapinker and his two partners sold the company to Symantec for more than \$400 million.

Skapinker then decided to visit Israel and find a way to leverage the country's skilled workforce, said Abelson. Skapinker will establish the company's marketing channels in North America.

Jennifer Friedlin

Livnat, Bezeq clash over price-cut notice

By JUDY SIEGEL

Communications Minister Limor Livnat lashed Bezeq International yesterday for sending notices to customers about overseas rates "reduced by up to 80 percent" in its existing rates starting July 1.

On that date, Bezeq International ceases to be a monopoly and faces competition from two consortia that won tenders, Barak and Golden Lines.

The two competitors have not officially announced their rates, but they committed themselves to certain prices in their bids for the Communications Ministry tender last year.

Livnat stated that by jumping the gun, Bezeq International "violated regulations and its authority by trying to detour around the ministry, which is the only body charged with approving overseas rates."

"The policy of the ministry and the minister is to ensure there

will be true competition in cheap prices for the good of the consumer," Livnat's spokeswoman said.

"On July 1, real competition among the three will begin and every consumer will enjoy free choice at cheap prices."

She added that the ministry will "take action to ensure that Bezeq International's rates are according to the policy of the tender and won't harm competition."

Ori Yogev, Bezeq International's managing director, said notices to customers presenting its drastically reduced rates were indeed mailed out, "but in them we stated clearly they were dependent on approval by the ministry. These negotiations over rates are currently being conducted."

Because some of these notices reached journalists, "the information leaked out, and we decided to issue a press release listing the suggested rates," added his spokeswoman.

Police: Israel is a global money-laundering center

By DAVID HARRIS

It is now well established in international criminal circles that Israel is an easy site for money laundering. Serious Crimes Investigation Unit Supt. Yehuda Twersky yesterday told the Knesset Banking subcommittee.

Sub-committee chairman Avi Yehzekel (Labor) yesterday launched investigations into the source of money entering the country and the checks made on foreigners wanting to become active in the domestic banking sector.

While the police have so far been unprepared to release figures, Yehzekel said he understands the trade could be worth an annual \$4 billion to \$5b. "We simply don't have specific sums," said Supervisor of Banks Ze'ev Abeles. The inflow of this form of capital

is not just from Russia and the other former Soviet states, but from across the world, particularly South America and Europe, according to Twersky.

"Israel is being used as a transit station for this money," said Twersky. "We don't have any information to suggest that Israel is being used as a final destination for drug money or any other similar sources."

There is also evidence of bribery of banking officials, alleged Twersky, but he refused to enter into details. Yehzekel has raised this issue at a particularly sensitive time, given the ongoing trial of Zvi Ben-Ari (formerly known as Gregory Lerner), suspected of committing an \$85 million bank fraud in Russia, bribing civil servants and public figures here, and violating banking laws.

All participating in yesterday's Knesset debate were at pains to distance the debate from the Ben-Ari case.

Yehzekel asked Abeles if he felt new legislation is required to supervise the entry of foreigners to the banking system.

Abeles pointed out that over the last three years an inter-ministerial team has been working to pass appropriate legislation and that the bill has recently entered the parliamentary framework.

There is a feeling amongst some MKs that there is little communication between the Police and Supervisor of Banks over checks on those entering the banking system and consequently additional legislation is required.

"When investors are looking to purchase a share in banking organizations we demand to know about

their integrity and financial status," said Abeles. "Their total personal capital must be two or three times the size of the actual investment."

Abeles also denied that anybody can obtain a license to operate here. "This is not like Cyprus or the Caribbean islands, where it is possible to obtain a license with ease," he said.

"When there has been a need, we have hired companies to investigate or used police across the world to make checks."

If a country will not provide all the information sought, Israel will not grant a license, added Abeles.

Yehzekel said he intends pressing for the introduction of rules forbidding politicians from pressuring the Supervisor of Banks to grant such licenses. He also called on the Police to provide more information on money laundering, including the sums of money involved.

Shekel settles at 3.52 to dollar

Jerusalem Post Staff

The shekel settled at 3.524 to the dollar yesterday, following a trading day calmer than those that have characterized currency trading since last week's alteration of the exchange-rate mechanism.

The Bank of Israel's basket of leading foreign currencies yesterday reached a new high of NIS 3,835.5, 0.56% more than the previous trading day.

Though yesterday's fluctuation did amount to another 0.52% depreciation of the shekel - a total depreciation of 2.5% so far this week - trading lacked the previous day's sharp volatility, which saw the dollar first soar to NIS 3.6, and then plunge all the way to just above NIS 3.5.

Bankers estimated yesterday's foreign currency demand at some \$250 million.

A major component in the orders handled by the banks appears to be aimed at repaying dollar-denominated loans taken by short-term investors who had hoped to benefit from the gap between local and foreign interest rates.

The central bank did not interfere in yesterday's trading. Since the currency basket's rate ended the day nearly 3% above the newly defined diagonal mechanism's bottom limit, analysts said chances are slim that Governor Jacob Frenkel will have reason to intervene in currency trading in the upcoming days.

Tnuva discussing purchase of foreign know-how

By JENNIFER FRIEDLIN

Food cooperative Tnuva is currently negotiating with several undisclosed foreign companies to acquire technological know-how that will help the company lower production costs, Yitzhak Lidor, manager of the milk products division, said yesterday.

"This is a definite trend," said Lidor. "We need to buy the know-how in order to lower the cost of developing new product lines."

The company's first know-how agreement was with the Swiss milk products conglomerate Emmi. As a result of the deal, Tnuva will release a new line of yogurts under both companies' names.

The yogurts are expected to go on sale Friday. Lidor would not say how much Tnuva, which invested \$10m in the development of the new line, paid Emmi for the production information.

The company expects to earn \$5m from the new line, but could not quantify the amount of money it expects to save by employing the new production methods.

Tnuva, Israel's fourth largest company, which recently underwent changes in its top management following the revelation that the company was adding silicone to its long-life milk, controls more than 50% of the milk, chicken, egg, and fruit markets.



Pelted by imports

A Russian worker displays fox pelts in a storage room at the fur farm in Zoltikovskoy, 25 km east of Moscow. Since the beginning of the 1992 reforms, Russian fur production had dropped and Russia has moved from being a traditional exporter of furs to a major consumer of furs from the world market.

(Reuters)

N.E. Patriots' owner invests \$40m. in Caesarea plant

By JENNIFER FRIEDLIN

The owners of Carmel Container Systems, Israel's largest packaging company, invested \$40 million in a new plant in Caesarea, Robert Kraft, the company's Boston-based major shareholder, said yesterday.

Kraft, who also owns the New England Patriots football team and the Foxboro Stadium, said the investment was necessary in order to "bring the company into the new millennium."

The money went to building the new plant and equipping it with the most advanced technology available, Kraft said. The company, which employs 700 people, does not expect to increase its work force.

Kraft says the investment was necessary in order to ensure that Carmel will continue to dominate the packaging market. The company currently holds a 50 percent market share.

"To survive, most export companies need packaging and we are the only full-service packaging company in the country," said Kraft, adding that his company offers graphics and special packaging for everything from citrus products to sensitive machinery.

The investment allowed the company to purchase the most advanced technology, which in turn will allow Carmel to keep down costs.

While Kraft is satisfied with Carmel and his local partners, he says his other attempts to do business in Israel were not as successful.

As the owner of the Foxboro Stadium, Kraft was able to help negotiate terms for bringing performers such as Guns 'n' Roses, Elton John, and Madonna to Israel. However, the lack of infrastructure made the venture cumbersome.

"Israel does not have a good ticketing system and there really isn't a proper venue besides the one in Ramat Gan," Kraft said.

Officials: Labor unrest might hurt defense industries' income

By STEVE RODAN

The government is concerned that labor unrest in the state-owned defense industries could upset forecasts that they would turn profitable in 1998, a Defense Ministry official said yesterday.

According to the Defense Ministry, the state-owned companies are projecting a three-percent profit on 1998 sales. But this, the official said, depends on a stable shekel and labor costs.

"The demonstrations and the walkouts are causing us to lose sight of our goals," the official said.

The assessment was issued as Israel Aircraft Industries returned to a normal work schedule yesterday. The workers' committee at IAI decided to heed an appeal by Defense Minister Yitzhak Mordechai to end two days of demonstrations outside IAI's plant headquarters at Ben-Gurion Airport.

The demonstrations were aimed at IAI chairman Avigdor Ben-Gal, who had acknowledged that he had discussed the prospects of an eventual merger with Lockheed Martin earlier this month in Paris.

Ben-Gal, however, said he did not initiate the talks and told Lockheed executives that structural changes at IAI await government approval.

In a statement released late Tuesday, the Defense Ministry called on IAI's management and union to resolve the current dispute.

The statement said both Mordechai and ministry director-general Itan Biran "called on all to return to full work. They made it clear that they view with gravity any unseemly behavior. Also, both the minister and the director-general made it clear lately at the Paris Air Show that circumstances are still not ripe [for privatization at IAI]."

Defense sources said Mordechai

is upset with Ben-Gal's efforts to promote privatization at IAI. They said that IAI director-general Moshe Keret opposes discussing privatization until he obtains government and union consent.

"The question is how long will Ben-Gal stay at IAI under the current circumstances of mistrust?" one source said.

Meanwhile, more labor unrest erupted yesterday - this time at Rafael, the armaments development authority. Rafael employees are demanding an intensification of their current dispute with management on grounds that the Defense Ministry unit is offering personal contracts to workers.

Rafael had been scheduled to turn into a government company on July 1, a deadline officials said will not be met.

But executives said that from March 1 new workers are no longer being employed by the current authority but by a new body called Rafael Ltd.

El Al adopts new plan for aircraft replacement

By HAIM SHAPIRO

El Al is to buy up to 10 new airplanes (five medium-sized and five small) as the central plank of its new strategic program, company general manager Yoel Feldschuh and chairman Joseph Chiechanover announced yesterday.

"We want to increase the number of flights, not necessarily the number of seats," Feldschuh said. In talking of medium-sized planes that could take long-haul routes, he cited the new Boeing 777 as a possible option. If the company were buying one plane, it would not make sense to buy a product for which it had no parts.

However, for five or six planes, the company saw no need to consider only Boeing. Other companies being considered were Airbus and McDonnell Douglas.

Although it welcomes all passengers, El Al sees its major market as Israelis going abroad, rather than foreign tourists coming to Israel, Feldschuh said.

"We understand them. We speak their language. They are us, and we answer their needs," Feldschuh told a press conference at Ben-Gurion Airport, relating to the strategic planning of the company toward privatization.

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ISRAEL MONEY MARKETS

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Pound sterling (£100,000)	3.675	4.00	4.250		
German mark (DM 200,000)	1.625	1.625	2.125		
Swiss franc (SF 200,000)	0.825	0.750	1.000		
Yen (10 million yen)					
(Rates vary higher or lower than indicated according to deposit)					
Shekel Foreign Exchange Rates* (25.6.97)					
CURRENCY BASKET TRANSFERS	CHECKS AND BANKNOTES		Rep. Rates*		
	Buy	Sell		Buy	Sell
Currency basket	3.8123	3.9050	—	—	3.8555
U.S. dollar	3.5025	3.5776	3.45	3.69	3.5240
German mark	2.0337	2.0832	2.00	2.11	2.0489
Pound sterling	5.8325	5.9742	5.75	6.04	5.8992
French franc	0.6025	0.6143	0.59	0.63	0.6082
Japanese yen (100)	3.0763	3.1311	3.03	3.19	3.0933
Dutch florin	1.8071	1.8410	1.78	1.87	1.8173
Swiss franc	2.4358	2.4950	2.40	2.52	2.4601
Swedish krona	0.4848	0.4859	0.44	0.48	0.4577
Norwegian krona	0.4834	0.4852	0.47	0.51	0.4882
Danish krona	0.6339	0.6469	0.52	0.56	0.5371
Finnish mark	0.6788	0.6953	0.68	0.71	0.6971
Canadian dollar	2.5159	2.5771	2.48	2.61	2.5812
Australian dollar	2.6286	2.6945	2.59	2.73	2.6471
S. African rand	0.7772	0.7981	0.70	0.80	0.7581
Belgian franc (10)	0.8857	1.0097	0.87	1.02	0.9818
Austrian schilling (10)	2.8904	2.9607	2.85	2.99	2.9072
Italian lire (100)	2.0901	2.1207	2.05	2.16	2.0984
Jordanian dinar	4.8400	5.0491	4.80	5.23	5.0689
Egyptian pound	1.0000	1.0900	1.00	1.09	1.0924
Ecu	3.9387	4.0811	3.90	4.11	4.0101
Irish punt	5.3210	5.4973	5.25	5.61	5.3647
Spanish peseta (100)	2.4097	2.4688	2.37	2.50	2.4229
*These rates vary according to bank. **Bank of Israel.					
SOURCE: BANK LEUMI					

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מזכרון לזמן

Thursday June 26, 1997 Shekel settles at 3.52 to dollar

ISRAELI SHARES IN NEW YORK

Table with columns: LAST CHANGE, AMEX, NASDAQ. Lists various Israeli companies and their share prices.

Table with columns: LAST CHANGE. Lists various Israeli companies and their share prices.

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TASE ROUNDUP

Shares decline on political concern. Mishtanim 288.02 ▼ 0.53%. Maof 295.67 ▼ 0.83%.

MISHTANIM LEADING 100 TASE ISSUES

Table with columns: LAST CHANGE. Lists the top 100 TASE issues.

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Table with columns: LAST CHANGE. Lists the top 100 TASE issues.

Due to technical difficulties, we are unable to provide the international stock market data today.

INDYK

Continued from Page 1. The US, he said, was prepared to compensate Israel for the requisite territorial concessions.

Looking back on his time here, Indyk described the Rabin assassination as "the biggest disappointment" he experienced during his stint as ambassador.

The premise for his optimism at the time was that "Israel was willing to pay the price," he said, and "there was a clear commitment by Assad to reach peace agreement with Israel."

He noted, however, that though much progress was made during Rabin's time, "there still was a wide gap separating the two positions. It is futile to speculate what would have happened in 1996 if Rabin had survived."

World Bank tries to combat unemployment problem in Gaza, West Bank

By STEVE RODAN. The World Bank will next month present a plan to increase funding to non-government organizations (NGOs) in an attempt to combat unemployment in the Palestinian Authority areas.

At the conference sponsored by the World Bank, Khadr presented Palestinian official statistics of unemployment in the West Bank and Gaza that ranged from between 17% and 33%, depending on Israeli closure of the territories. He said, however, that underemployment and those who have given up looking for jobs can augment the unemployment figures to include as many

as half of the workforce. "There is quite a high incidence of discouraged workers, people who would normally be in the labor force," Khadr said. But because they are inexperienced or under other circumstances they have stopped looking. Once you add unemployment to underemployment you could easily get to half the workforce."

development to help create jobs in the strip. They said that Gazans must focus on producing small businesses and jobs that do not depend on export or import from Israel and thus be hurt every time the IDF imposes a closure to prevent terrorism.

Row over monetary union grows testy within Kohl's coalition

BOON (Reuters) - A smoldering dispute in Germany about Europe's planned single currency flared into the open yesterday when a hardline conservative traded insults with a party leader in Chancellor Helmut Kohl's coalition.

"There may be good reasons to debate the economics about whether the stability criteria need to be followed or not," Schroeder told MDR radio. "But the federal government made a promise about [monetary] stability to the German people." Schroeder said if the stability criteria as laid down in the Maastricht Treaty are not observed, "this would amount to breaking a promise...The stability promise is for me more important than the timetable."

His response prompted another outburst from Stoiber. In an unusually blunt statement, Stoiber said Gerhardt would be breaking earlier promises to Germans that the single currency would be accompanied by a strict interpretation of the stability criteria established in the Maastricht Treaty on monetary union.

Congress readies amended foreign aid bill

By HILLEL KUTTNER. The House of Representatives was due yesterday to complete its "mark-up" of amendments to the 1998 foreign assistance bill. The Senate concluded its work on the bill late Tuesday afternoon, providing for the continuation of Israel's \$1.8 billion in military aid, \$1.2b. in economic assistance, and \$80m. for refugee resettlement.

Leumi, the most active issue, and gasoline refiner and marketer Delek Israel Fuel Corp. The "political disorder" unnerves investors, said Dan Kiri, senior consultant at Bank Oisar Habayal in Tel Aviv.

Bank Leumi, the most-active stock, advanced 1.5% as it traded NIS 16.9 million worth of shares. Across the Tel Aviv Stock Exchange, NIS 171.7m. worth of shares traded. That's 25% below the month's daily average of NIS 229.3m. Nearly three shares gained for every two that fell.

WORLD MARKET ROUNDUP

European stocks end higher, Dow turns up

LONDON (Reuters) - European stock markets ended higher yesterday, led by a near three percent surge in French stocks to a record close. In currency markets, the dollar inched up against the yen and steadied versus the mark after stronger than expected US May existing home sales.

WALL STREET REPORT

Stocks fall as crude oil prices jump

NEW YORK (Reuters) - Blue-chip stocks ended with double digit losses yesterday as the market was stunned by a jump in crude oil prices and weakness in bonds. The Dow Jones industrial average ended 68.08 points lower at 7,689.98, giving back a large chunk of Tuesday's 153-point gain.

WHERE TO GO

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GENERAL ASSISTANCE

Medical help for tourists (in English) 177-022-8110. The National Poison Control Center at Rambam Hospital 04-852-8205, 24 hours a day, for information in case of poisoning.

Row over monetary union grows testy within Kohl's coalition

BOON (Reuters) - A smoldering dispute in Germany about Europe's planned single currency flared into the open yesterday when a hardline conservative traded insults with a party leader in Chancellor Helmut Kohl's coalition.

Row over monetary union grows testy within Kohl's coalition

BOON (Reuters) - A smoldering dispute in Germany about Europe's planned single currency flared into the open yesterday when a hardline conservative traded insults with a party leader in Chancellor Helmut Kohl's coalition.

DATA COMMUNICATIONS VIA ABA. Foreign financial data courtesy of CommStock Trading Ltd.

Tel Aviv shares data supplied by Pacific Mediterranean Investments, Tel. 09-958-5873.

Pacific Mediterranean Capital Markets Group. Stock broking, Equity & macro research, Money management, Corporate finance.

EMERGENCY PHARMACIES. Jerusalem: Clal Pharm, 22 Kanfei Nesharim, 651-0485; Beitans, Salah el-Din, 627-2515.

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TEL AVIV MUSEUM. Andreas Semano: The Morgue, Soviet Photography from the Museum collection.

HAIFA. WHAT'S ON IN HAIFA, dial 04-8374253.

EMERGENCY PHARMACIES. Jerusalem: Clal Pharm, 22 Kanfei Nesharim, 651-0485; Beitans, Salah el-Din, 627-2515.

POLICE. 100. Medical help for tourists (in English) 177-022-8110.

Seles wins first-round match

WIMBLEDON (AP) — The rain finally let up long enough for Monica Seles to win her first-round match yesterday at Wimbledon.

After waiting four hours for the Center Court match to start and then stopping for another 40 minutes when she was within two points of victory, Seles completed a 6-0, 6-2 victory over Rachel McQuillan.

In the only other match completed on the third day, third seed Jana Novotna downed Germany's Wiltrud Probst 6-4, 4-6, 6-0 on No. 1 Court.

It took the second-seeded Seles 45 minutes to go ahead 6-0, 5-2, with match point on McQuillan's serve. The Australian saved it with a forehand volley to bring it back to deuce.

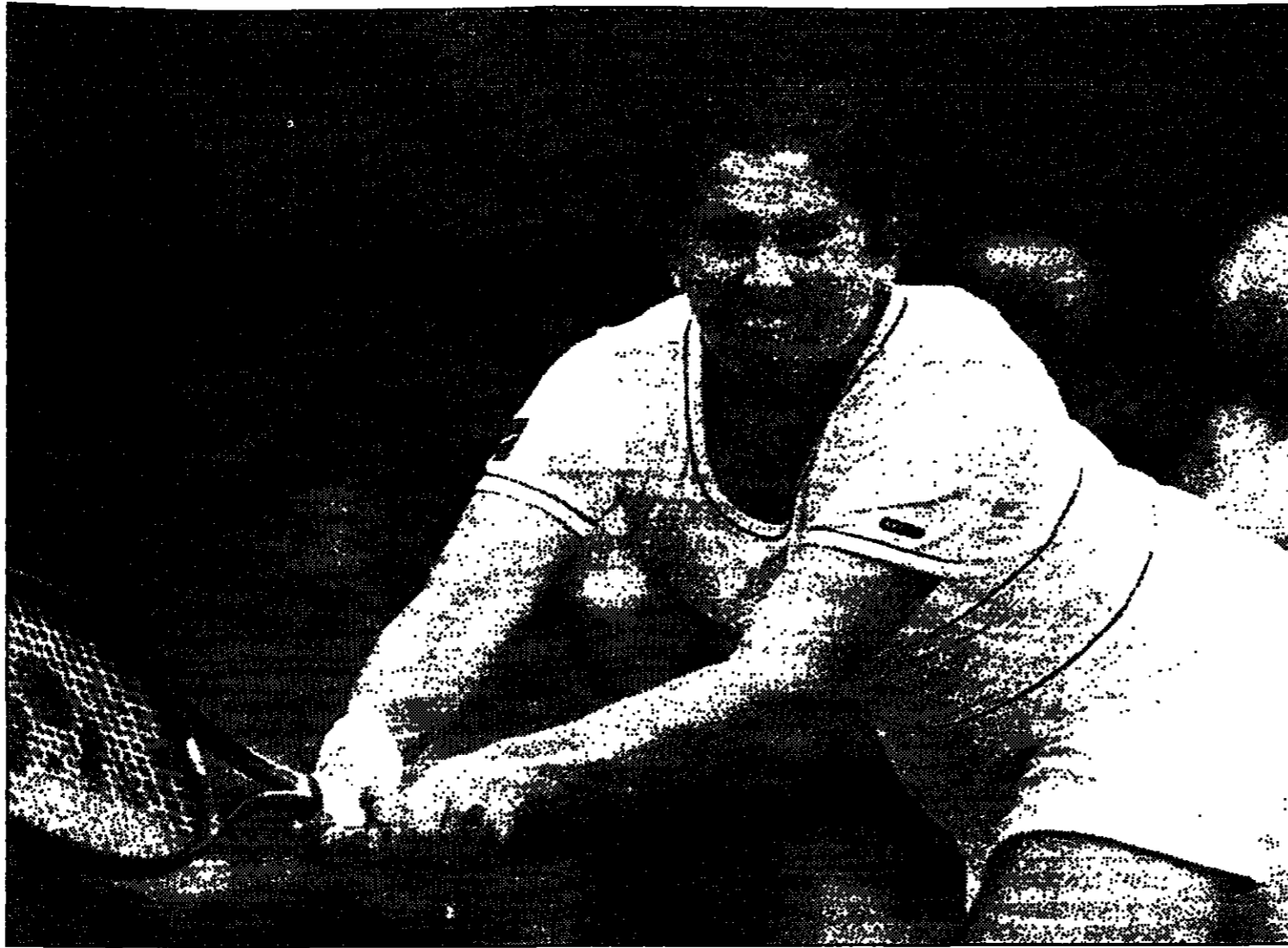
With the rain falling again, play was stopped and the two players hurried off. After a 40-minute break, Seles then finished off the match in 105 seconds, closing it out with a backhand return pass.

"It was tough because I was supposed to play Monday," Seles said. "I was here all day Monday and then I was surprised not to be playing yesterday. It's tough on all the players waiting in the locker room. I'm just one of the lucky players to finish tonight."

McQuillan said the rain delay hurt her performance.

"It was a hell of a long day," she said. "I felt quite run down when I went out whereas I should have been ready to go. I felt a bit slow and sluggish. Against players like this, you can't feel like that all day."

Seles won the first set in 18 minutes, losing only nine points, and went up 3-0 in the second. When McQuillan served an ace to win her first game, she threw up her arms in mock triumph and smiled broadly. Showers washed out almost all



RIGHT BACK AT YOU — Monica Seles returns the ball to Australia's Rachel McQuillan.

matches still to be played. As a result of the mounting backlog, the referee's office said play on Center Court and No. 1 Court would start two hours earlier at noon today, while matches on the outside courts would be brought forward one hour.

With the forecast calling for more wet weather the rest of the week, referee Alan Mills was faced with a daunting task of juggling the schedule.

Mills said he wasn't considering drastic measures yet.

"We can take one or two days of this," he said.

"Obviously, it compacts the program later on. But we have the time to finish on time given a fair crack from the weather."

There was speculation that officials would consider scheduling matches on the middle Sunday, a break with tradition that has occurred only once, in 1991 after the wettest first week ever.

But officials appeared more likely to consider extending the tournament beyond the second week. That has happened several times recently, including last year when the semifinals and finals of the women's doubles were held on the third Monday.

As the rain fell, thousands of fans milled around the complex, sheltering under umbrellas and ponchos, munching on strawberries, drinking Pimm's and champagne, and buying souvenirs at the official Wimbledon merchandise shop.

Thousands of spectators who lined up to get tickets stood for hours in the rain until they were let in.

This time, there was no Cliff Richard to entertain the crowd.

Last year, the British singer gave an impromptu concert on Center Court that had several women players joining in a chorus line.

Kendall returns to Everton

LIVERPOOL, England (AP) — Howard Kendall, a former Everton star player and the club's most successful manager, confirmed yesterday he would be returning for a third term and leaving Division One Sheffield United.

Kendall, who took Everton to two league titles and the European Cup Winners' Cup during his first spell with the top flight club in the mid 1980s, replaces Joe Royle, who quit three months ago.

Despite an ill-fated second term that brought no success from 1990-1993, Kendall said the Merseyside club remained close to his heart.

"I spent 17 years as a player and twice as manager at Everton and it holds something special for me," said Kendall.

"I'm delighted and honored to go back there and I hope I'm more successful than I was the second time."

Kendall, who has managed Blackburn, Manchester City and Notts County in England as well as Spain's Athletic Bilbao and Greek club Xanthi, said the finer points of his contract had yet to be negotiated.

"What I will do is go back to Liverpool and make some telephone calls now," he said. "The circumstances were that Everton were speaking to other people before me and I was very, very happy at Sheffield United."

Kendall was far from being the first-choice for the hot seat at Goodison, with the Everton management reportedly discussing terms with Barcelona's Bobby Robson, former Newcastle manager Kevin Keegan, German striker Jurgen Klinsmann, Welshman John Toshack and former Liverpool, Rangers and Southampton manager Graeme Soumess.

yesterday's schedule, creating a huge backlog of matches and raising the possibility of the tournament extending into a third week.

Seventy-seven matches were scheduled but only two complet-

ed. Fourteen others started but only one made it past the first set.

The others didn't get further than two games.

With rain falling most of the day, it appeared likely that

Wimbledon would experience the 28th complete rainout in its 127-year history.

A huge cheer went up on Center Court when the sun peaked through the clouds a half hour later. Princess Michael and other

VIPs in the Royal Box joined the spectators in doing the "wave" as they waited for play to start.

With only 16 matches completed on Monday due to rain, the tournament already was behind schedule, with several first-round

A's overcome Randy Johnson's strikeout tear

SEATTLE — Mark McGwire launched the longest home run in the history of the Kingdome and Steve Karsay threw six scoreless innings as the Oakland Athletics overcame a 19-strikeout performance by Randy Johnson for a 4-1 victory over the Seattle Mariners on Tuesday.

Geronimo Berroa and McGwire delivered RBI doubles in the third inning to stake Oakland to a 2-0 lead.

In the fifth, McGwire crushed his 27th homer of the season well into the upper deck of the Kingdome — 538-feet — for the longest homer in the majors this season and the longest ever hit at Seattle's Kingdome.

Karsay (2-7) allowed just three hits and two walks with five strikeouts for the win.

Johnson (11-2), who saw his six-game winning streak snapped, struck out 18 over the first eight innings. After giving up a solo homer to George Williams in the ninth, he got Mark Bellhorn looking for his 19th whiff of the game — one shy of Roger Clemens's major-league record.

He tied Steve Carlton's mark for a left-hander, set in 1969. But despite the 19 Ks and no walks, Johnson was far from his best, giving up 11 hits and four runs.

Yankees 12, Detroit 9
Tino Martinez connected for his second home run and fifth hit of the

game, breaking a ninth-inning tie.

The visiting Yankees, who led 9-3 in the sixth, went ahead 10-9 when Martinez led off with his 25th homer against Mike Myers (0-4).

Former Tigers outfielder Chad Curtis, who tied a career high with five RBIs, added a two-run homer off Doug Brocail in one out.

Pinch-hitter Melvin Nieves hit a three-run homer as the Tigers rallied for four runs in the seventh, tying it at 9.

Graeme Lloyd (1-1) got the final out in the eighth inning for the win. Mariano Rivera pitched the ninth for his 24th save.

Red Sox 9, Blue Jays 6

Nomar Garciaparra had four hits, including a home run, and scored four times as visiting Boston won its fourth straight victory.

Darren Bragg homered and drove in three runs for the Red Sox.

Scott Hatteberg singled twice during Boston's five-run second inning.

Joe Carter homered and Ed Sprague and Orlando Merced each had three hits as Toronto lost its fourth in a row. The Blue Jays fell a season-high five games below .500.

John Wasdin (2-3) allowed two hits in three scoreless innings of relief for the win. Heathcliff Slocumb got three outs for his

ninth save, and third in as many days. Luis Andujar was the loser.

Orioles 6, Brewers 2
Shawn Boskie scattered four hits over five innings and Pete Incaviglia homered for the first time since May 4 as visiting Baltimore won.

Boskie (4-3) won for the first time as a starter this season, retiring 15 of 19 batters after giving up consecutive doubles to start the bottom of the first. Arthur Rhodes relieved Boskie after Jeff Cirillo led off the sixth with a double and finished for his first save of the season and second of his career.

Scott Karl (2-9), who missed his last start with a toe injury, took the loss. He gave up five runs on five hits in the second inning after he was staked to a 2-0 lead.

5-17 in such games this season.

NATIONAL LEAGUE

Mets 6, Braves 5

Carlos Baerga, who hit a game-winning homer in the eighth inning,

Tuesday's AL results: N.Y. Yankees 12, Detroit 9; Cleveland 10, Minnesota 5; Boston 9, Toronto 6; Baltimore 6, Milwaukee 2; Chicago White Sox 4, Kansas City 0; Anaheim 7, Texas 6; Oakland 4, Seattle 1.

Tuesday's NL results: San Francisco 4, San Diego 1; Cincinnati 7, Montreal 6 (10); Florida 4, Philadelphia 1; N.Y. Mets 6, Atlanta 5; St. Louis 7, Chicago Cubs 2; Pittsburgh 8, Houston 3; Colorado 6, Los Angeles 2.

singled home the winning run with one out in the ninth as host New York rallied for its sixth straight win.

Baerga's heroics gave the Mets the first two games of the three-game series and brought New York within four games of first-place Atlanta in the NL East. With the win, the surprising Mets are 11 games over .500 for the first time since July 30, 1991.

Baerga's hit off Mark Wohlers (2-3) made a winner out of former Brave Greg McMichael (4-6).

Reds 7, Expos 6

Lenny Harris singled home the winning run in the 10th inning to snap a three-game Cincinnati losing streak.

Eduardo Perez homered, drove in three runs and had a career-high four hits for the visiting Reds.

Fred 6-6, Perez led off the Cincinnati 10th with a single and

was bunted to second. Deion Sanders walked and Harris followed with a single off reliever Dave Veres (2-2) to right.

Jeff Shaw (2-0) got the win despite allowing a Mike Lansing homer in the ninth to tie it 6-6.

Henry Rodriguez homered and drove in four runs for the Expos.

Rockies 6, Dodgers 2

Emergency starter Darren Holmes pitched eight strong innings and Larry Walker hit his 22nd homer, leading visiting Colorado to victory.

Holmes (3-1), starting in place of Rockies ace Roger Bailey, who has a strained left hamstring, allowed five hits while walking two and striking out a career-high seven.

Holmes, normally a reliever, retired 16 of the last 18 batters he faced. Curtis Leskanic relieved to start the ninth.

(Reuter, AP)

NATIONAL LEAGUE EAST Division

Team	W	L	Pct.	GB
Atlanta	49	23	.681	-
Florida	44	30	.595	2½
New York	43	32	.573	4
Montreal	42	32	.568	4½
Philadelphia	23	50	.316	23

NATIONAL LEAGUE WEST Division

Team	W	L	Pct.	GB
Houston	37	39	.487	-
Pittsburgh	35	40	.467	1½
San Francisco	34	40	.459	2
Cincinnati	31	43	.419	5
Chicago	29	46	.387	7½

Central Division

Team	W	L	Pct.	GB
Cleveland	38	33	.535	-
Chicago	36	37	.493	3
Milwaukee	35	36	.493	3
Kansas City	34	37	.479	4
Minnesota	34	40	.459	5½

West Division

Team	W	L	Pct.	GB
Seattle	43	32	.573	-
Anaheim	40	34	.541	2½
Texas	36	37	.493	6
Oakland	31	46	.403	13

West Indies climbing in cricket standings

LONDON (Reuter) — West Indies closed the margin on leaders Australia in the unofficial world cricket rankings yesterday following their 1-0 Test series victory over Sri Lanka this month.

West Indies, regarded as cricket's world champions for many years until Australia beat them in 1995, moved to within three points of Mark Taylor's team in the Wisden world championship.

They are now outright second ahead of South Africa. Sri Lanka drop to seventh after their defeat.

The rankings system, devised by Wisden Cricketers' Almanack, is likely to be adopted officially at the end of the

year after the International Cricket Council decided last week in principle in favor of such a championship.

Rankings are based on the most recent meetings, both at home and away, between each pair of teams, with two points for winning each series or one-off Test and one for drawing. The difference between the number played and points decides placings.

Australia 14, 22, +8
West Indies 13, 18, +5
South Africa 12, 18, +4
India 14, 17, +3
Pakistan 12, 13, +1
England 14, 11, -3
Sri Lanka 15, 11, -4
Zimbabwe 10, 4, -6
New Zealand 16, 8, -8

Prosecution rests in Grobbelaar retrial

WINCHESTER (AP) — The prosecution case closed yesterday in the match-fixing retrial of Bruce Grobbelaar. Two other soccer stars and a Malaysian businessman. Defense evidence is due to start today.

The prosecution has alleged that former Liverpool and Southampton star Bruce Grobbelaar, a 39-year-old Zimbabwean international goalkeeper, ex-Aston Villa and Wimbledon striker John Fashanu, Dutch goalkeeper Hans Segers and Malaysian businessman Heng Swan Lim were part of a plot involving a Far Eastern betting syndicate to fix the results of Premier League games.

At a previous trial, a jury failed to reach verdicts.

SCOREBOARD

European basketball championships — Yesterday's early results:
Group A: Bosnia 55, Russia 65 (21-37)
Leading scorers:
Bosnia — Nenad Markovic 20, Gordan Firic 11, Dzevad Alilhodzic 8, Aris Bocegric 5, Samir Leric, 5, Sejo Bulkuva 5.

Russia — Vassily Karmasev 22, Mikhail Mikhailov 11, Andrei Fetisov 9, Igor Koucalin 8, Sergei Babkov 8.
Greece 74, Turkey 52 (39-23)
Leading scorers:
Greece — Nikos Iconomy 16, Ethimis Rentzias 14, Demetrios Papanikolaou 13, Fragkos Alvaris 7, George Sigalas 7.

Turkey — Uluk Sarica 14, Orhan Ene, Mirsad Turkcan 5, Volkan Aydin 5, Harun Erdenay.

Group C: Latvia 75 Italy 85 (34-46)
Leading scorers:
Latvia — Ainars Bagatskis 23, Roberts Steinhahrs 22, Raimonds Migliniks 8, Igors Meikins 8, Edgars Sņeps 4.

Italy — Davide Bonora 16, Gregor Fucks 13, Alessandro Abbio 11, Alessandro Frosini 11, Paolo Moretti 8, Riccardo Pittis 8.

Yugoslavia 104, Poland 76 (47-41)
Leading scorers:
Yugoslavia — Zeljko Rebraca 19, Predrag Danilovic 18, Dejan Bodiroga 16, Dejan Tomasevic 9, Nikola Loncar 8.

Poland — Dominik Tomczyk 13, Adam Wojcik 13, Mariusz Baak 11, Krzysztof Dryja 8, Andrzej Pluta 7.
Group B: France 80, Slovenia 75
Group D: Spain 82, Ukraine 54

Kareem in the Streets

All fans interested in registering for the Kareem in the Streets Address Soccerball Tournament on July 3-10 Tel: 03-5313374 telephone 03-5313374 or 03-5193747.

CLASSIFIEDS	
RATES PRICES ARE AS FOLLOWS - All rates include VAT. Single Weekday - NIS 134.55 for 10 words (minimum), each additional word NIS 13.45 FRIDAY AND HOLIDAY EVE - NIS 210.00 for 10 words (minimum), each additional word NIS 21.00 TWO FRIDAYS - NIS 351 for 10 words (minimum), each additional word NIS 35.10 MONDAY, WEDNESDAY and FRIDAY (package) - NIS 304.20 for 10 words (minimum), each additional word - NIS 30.42 WEEK RATE (6 insertions) - NIS 432.90 for 10 words (minimum), each additional word - NIS 43.29 FOUR FRIDAYS (package) - NIS 555.75 for 10 words (minimum), each additional word - NIS 55.57 MONTHLY (24 insertions) - NIS 1053 for 10 words (minimum), each additional word - NIS 105.30 Rates are valid until AUG 31 1997.	DWELLINGS Jerusalem Area RENTALS GERMAN COLONY, UNIQUE, 3 or 4, garden, basement, parking, long term. Immediate. (No Commission). DIVIROLLI SIANI. Tel. 02-623-5595. HARAV BERLIN, 3.5 room, furnished, 3rd floor, fully equipped, 2 balconies, September 1 - monthly/annual. Tel. 02-671-4202, 050-291-629(NS). MIBARTENURA, 4.5 ROOM, furnished, 3rd floor, fully equipped, 3 balconies, August 1 - monthly/annual. Tel. 02-671-4202, 050-291-629(NS). SALES GERMAN COLONY, LARGE, unique 2.3 or 4. Basement, garden, immediate (no commissions). DIVIROLLI SIANI. Tel. 02-621-2424. DWELLINGS Tel Aviv HOLIDAY RENTALS BEAUTIFUL STUDIO AND 2 room a/c apartments, Ben Gurion Blvd., tourists/businessmen, short/long term. Tel. 03-696-9082, 050-358972. RENTALS AZOREI CHEN, 5 + large terrace, air conditioning, doorman, Country Club. VAEL REALTOR. (Maldan). Tel. 03-642-6253. DWELLINGS Sharon Area SALES/RENTALS HERZLIYA PITUAM, KPAR Shmaryahu, for sale/rent, luxurious villa. Long term. Immediate. Tel. 08-954-0994, 050-338-128.
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كزانة الصحف

Kendall returns to Everton

WHAT'S ON

CRITIC'S CHOICE
CLASSICAL MUSIC
MICHAEL AJZENSTADT
Stanley Sperber leads his Haifa Symphony Orchestra in Beethoven's monumental Ninth (Choral) Symphony...

ENGLISH THEATER
HELEN KAYE
Those inspired lunatics of the Reduced Shakespeare Company continue their local tour tonight with their inimitable version of The Complete Works of William Shakespeare...

FILM
ADINA HOFFMAN
GHOSTS FROM THE PAST - There's nothing sexy or sensational about this Rob Reiner film, a straight-ahead recounting of the belated 1994 attempt to bring to justice the white supremacist responsible for the 1963 murder of civil rights activist Medgar Evers...

DANCE
HELEN KAYE
If you have never seen Ohad Naharin's bright Anaphase, or want to see it again, the Batseva Dance production is at the Tel Aviv Cinerama tomorrow at 10 p.m. and Saturday at 9 p.m.

ROCK
HELEN KAYE
Very heavy metal rock band Rage Against the Machine is coming for two concerts only. Since its first public performance in 1991, the four-member group has zoomed to the top with mega-hits like

TV
CHANNEL 1
6:30 News flash
9:31 News in Arabic
6:45 Exercise Time
7:00 Good Morning Israel

PRIME TIME TV
19:30 News flash
20:00 News
20:30 The Third Israel
21:30 Uri Zohar 2
22:00 House of Eliott

CRYPTIC CROSSWORD
ACROSS
1 Drink cures heart failure (10)
6 Hints need to be built just so (4)
9 Broken lamp recast in waste material (5,5)
10 Employer in serious error (4)
12 Quickly remove label showing exorbitant price (3,3)
13 Mockery is the cause of Ironside's confusion (8)
15 Full board in a way (12)
18 Not necessarily a story associated with vice (8,4)
21 Games period (8)
22 Breed of goats originating from Aragon (6)

JORDAN TV
18:30 Holy Koran
18:35 Soccer: Mexico vs. Costa Rica
17:00 French programs
19:00 News in Arabic

MOVIES
JERUSALEM CINEMATHEQUE
CINEMA CHEN
CINEMA AL-HAMRA
CINEMA AL-BAHAR

SOLUTIONS
CHAPLAIN
WADI
RELOCATION
BARBER
SPUR
ANNETT
CONSERVATIVE
TRIPS
Y H R S A G R E E T I N G

QUICK CROSSWORD
ACROSS
1 Smallpox vaccination pioneer (6)
8 Oriental (5)
9 Valley (5)
9 Flabby (7)
10 Free time (7)
11 Worry (4)
12 Student's revel (3)
14 Song of praise (4)
15 Precious stone (4)
18 Label (3)
21 Inactive (4)
23 Permission (7)
25 Winged horse (7)
26 Giraffe-like animal (5)
27 Way in (5)
28 Ahaft (6)

NEWS

in brief

Cabinet postpones vote on Peled Report

Communications Minister Limor Livnat said yesterday Prime Minister Benjamin Netanyahu has agreed to postpone Friday's scheduled cabinet discussion and vote on the recommendations contained in the Peled Commission Report on restructuring the country's broadcast system. She asked for the postponement in the wake of the same request from Education and Sports Minister Zevulun Hammer, who was released from the hospital yesterday and is convalescing from surgery and will not be present at the cabinet meeting. Hammer's office is responsible for Educational TV and Channel 2, both of which will be significantly affected if the proposed changes go through. No new date has been set for Livnat to present the report. *Helen Kaye*

Court: 'Yediot' must expand board of directors

In the midst of a long and bitter war between family shareholders at *Yediot Aharonot*, Tel Aviv District Court Judge Michal Rubinstein ruled yesterday that the board of directors be expanded from two members to five. At present, Arnon and Miriam Nofech-Mozes are the two main members, and Rubinstein ruled they would still hold majority shares. All five members of the board would have the right to examine procedures, management and assets of the daily, Rubinstein ruled. The court rejected a request by Arnon Mozes' cousin and rival, Ze'ev Mozes, that an agreement signed in 1986 should remain valid. The deal stated that for a period of 20 years both Ze'ev and Arnon Mozes would jointly manage the daily. In fact, Arnon Mozes ousted his cousin. *Raine Marcus*

Agency petitions to get squatters evicted

The Jewish Agency yesterday petitioned the High Court of Justice, asking it to order the police to evict the group of squatters that broke into apartments in the Mevasseret Zion absorption center two weeks ago. According to the petition, by law the police are required to help the owner of a property recover the property if his ownership rights have been compromised, and despite repeated requests, police are not taking action against the trespassers. *Itim*

Two remanded in foreign worker's murder

The Haifa Magistrate's Court yesterday remanded Nikolai Chaban, 40, and Natzgada Monaco, 30, on suspicion the two murdered a Romanian worker, Badu Valentin, 35. The suspects arrived here several months ago as tourists and overstayed their visas. They were employed, together with Valentin, at a restaurant on the road to Kiryat Ata. Judge Hanoch Shiloni said that although the currently available evidence is not clear-cut, it is enough to raise suspicions against the couple and the investigation must be completed when the two are in custody. *Itim*

Winning cards

The winning cards in yesterday's first Chance draw were the 8 of spades, queen of hearts, 10 of diamonds and queen of clubs. The results of the second draw were the 9 of spades, queen of hearts, queen of diamonds and 7 of clubs.

Matza: Cellphone firms should fund health studies

By JUDY SIEGEL

Health Minister Yehoshua Matza has asked his chief scientist to initiate talks with the cellular phone companies for the establishment of a fund to examine the possibility that their use may cause harm to health. Such a research fund would reportedly be the first of its kind in Israel financed by non-medical companies for the study of the health effects of their products. Matza yesterday expressed his agreement, in principle, to participate in the running of such a research fund in conjunction with the Communications Ministry.

Prof. Bracha Rager, the Health Ministry's chief scientist, is to meet with the heads of Cellcom and Pelephone, which together have over 1.6 million subscribers. The idea of such a fund was initiated by *The Jerusalem Post* two months ago following publication of an Australian study, described by experts as "serious," that linked cellular phone radiation with lymphoma in mice. According to a recent survey, Israelis spend five times more time per month talking on their cellular phones than Americans. In addition, the innovation of the Mango Telephone, which is free of monthly subscription charges, has made its use common among

children and teenagers. According to Dr. Avi Livnat, in charge of the Health Ministry's medical equipment unit, this makes Israeli cellular phone use unique. Although other foreign studies have not found proof of health damage from cellular phones, Israeli conditions require a serious effort to rule this out. Cellcom spokesman Ilan Bachar said the company is waiting to hear from the Health Ministry and views its proposal "in a positive light." Pelephone did not comment but has said in the past that it would consider the matter when presented to them by the ministries.



Tichon meets future leaders

Knesset Speaker Dan Tichon greets visiting participants yesterday at the Knesset in the First International Leadership Program, sponsored by the United Nations University International Leadership Academy. *(Brian Hendler)*

WEATHER

Haifa	22-27
Tiberias	21-31
Athens	19-29
Sofia	15-27
Tel Aviv	21-27
Jerusalem	18-28
Beersheba	19-30
Dead Sea	22-36
ELB	22-36

Forecast: Partly cloudy.

AROUND THE WORLD

	C	F	WIND	SEA	
Amsterdam	13	55	18	61	cloudy
Berlin	11	52	18	64	clear
Buenos Aires	07	45	18	64	clear
Caro	22	30	37	60	partly cloudy
Chicago	10	50	18	64	rain
Copenhagen	10	50	18	64	cloudy
Frankfurt	12	54	22	72	rain
Geneva	11	52	19	68	cloudy
Helsinki	08	47	19	68	clear
Hong Kong	28	73	31	63	clear
Jakarta	28	82	19	68	clear
London	12	54	15	59	rain
Los Angeles	18	64	27	61	clear
Madrid	15	59	30	86	partly cloudy
Montreal	17	63	34	75	clear
Moscow	10	50	28	82	cloudy
New York	11	50	28	82	cloudy
Paris	12	54	21	70	cloudy
Rome	17	63	28	82	clear
Stockholm	11	52	20	68	cloudy
Sydney	08	46	30	61	partly cloudy
Tokyo	17	63	28	82	cloudy
Toronto	18	64	28	82	clear
Vienna	10	50	28	82	cloudy
Zurich	09	48	20	68	partly cloudy

Reservist holds 2 soldiers at gunpoint

By ARIEH O'SULLIVAN

A reservist held two soldiers hostage at gunpoint at the Beit Guvrin training base yesterday, firing into the air, locking himself in a building and threatening to shoot them. The commander of the base, Col. Yehuda Shmishoni, rushed to the scene and in about half an hour managed to talk the reservist into releasing his hostages and giving himself up. Military Police launched an investigation into the incident and OC Central Command Maj.-Gen. Uzi Dayan went to the base to brief those involved. The incident comes only a few days after the shooting death of one IDF soldier by another in an argument over the use of a telephone. The Beit Guvrin base trains reservists in riot control and prepares them for service in the territories. Reservists are usually there for about three days. The two hostages, however, were not reservists, but personnel from the base, the army said. The reservist apparently was suffering from personal problems, military sources said. An investigation was still under way.

Ex-MK Saguy questioned in Ben-Ari case

By RAINE MARCUS

Former Labor MK Gideon Saguy was summoned to give evidence at the National Crimes Squad headquarters at Petah Tikva yesterday in connection with the Zvi Ben-Ari (Gregory Lerner) case. As he entered the police station he told reporters that he had never met Ben-Ari and he had no idea "what police want from me." Two of Ben-Ari's former secretaries were also summoned for questioning in the hope that they would help implicate their former employer, suspected of conducting massive financial scams using straw companies and of involvement in a murder.



Gideon Saguy (Israel Sun)

But they have apparently refused to testify against Ben-Ari. Ben-Ari has been in custody for two months. Police and the State Attorney's Office have not yet consolidated evidence to indict him. Other MKs and politicians are expected to be questioned this coming week.

Volcker says Swiss Holocaust accounts will be resolved quickly

By MARILYN HENRY

NEW YORK - Calling the matter "urgent," the Swiss Federal Banking Commission and the Volcker Committee have agreed on a "liberal" and expedited process to resolve claims for dormant accounts in Swiss banks of Holocaust victims, former Federal Reserve chairman Paul Volcker said yesterday in Washington. The new procedure calls for "an independent and objective international claims resolution panel to definitively and equitably decide claims, operating under liberal rules of evidence," according to a

statement released by Volcker. "Everything will be done to ensure that this program is carried out with as much sensitivity, dignity and compassion as possible," Georg Krayer, head of the Swiss Bankers Association, said in a statement released in Bern. "The process provides for a significantly relaxed burden of proof." Under the previous system, claimants dealt with the Swiss banking ombudsman,



Paul Volcker (Brian Hendler)

whose task was largely clerical processing of claims. Decisions about the legitimacy of the claim rested with the banks. Claims will be resolved by an international panel of individuals with experience in adjudication and banking, led by a Swiss chairman. Volcker and the commission imposed tight deadlines on the process. Banks will be required to report on all foreign and domestic

accounts that have been dormant since 1945 by September 15. The first list of accounts will be published on July 23; the second on October 20. A claims-processing center will be administered by the Basle accounting firm of Atag Ernst & Young. Claims of depositors or their heirs must be filed with the firm within six months of publication of the name of a dormant account holder. The claims resolution panel will be required to decide claims, with interest or other appropriate adjustments, within six months after the end of the period for the submission of claims.

Jewish Agency slow to adapt - comptroller

By JONATHAN TEPPERMAN

In preparation for the annual convocation of the Jewish Agency's governing body today, the Agency's comptroller has issued its annual report detailing flaws in the organization and making recommendations for its future operation. The report suggests that, over the last year, the Agency has been somewhat sluggish in adapting to changes in the economy and in the nature of immigration to Israel. This sluggishness has prevented the Agency from allocating funds in the most efficient manner possible, and the problem has grown more acute as budgets have shrunk throughout the organization. The 500-member Jewish Agency Assembly is to discuss the report when it returns from the former

Soviet Union and begins meeting in Israel today. Made up of world Jewish leaders, the Assembly intends to discuss structural changes in the Agency and to redefine its goals for the century ahead. Comptroller Ehud Haviv's report discusses the results of investigations into a variety of Agency programs such as Kibbutz Ulpanim, the Amigur Company (which manages apartments owned by the Agency and the State), and loan guarantees to new immigrants. According to the report, a number of Agency initiatives lack effective short-term supervision. Another concern it raised is an apparent lack of coordination between different programs with similar or overlapping mandates (such as the provision of loans or grants to new immigrants).

Peleg: Israel aims for sustainable development

By MARILYN HENRY

NEW YORK - Israel - without much land, water or other natural resources - is committed to sustainable development, David Peleg, Israel's charge d'affaires, said yesterday at the Earth Summit, the UN's environmental conference in New York. It also has shared for more than 40 years its unique environmental expertise in solar energy and waste-water recycling, he said. However, Israel has yet to tap the full potential for environ-

tal cooperation with its closest neighbors because of problems in the peace process. The multilateral "development" track is "not functioning effectively due to the refusal of some of our neighbors to participate therein and the intent of others to use this track as a platform for pressuring Israel," Peleg said. Saeb Erekat of the Palestinian Authority told the summit Tuesday that Israel's nuclear program threatened a "dangerous environmental disaster" in the region.

Jerusalem Municipality

Gilon Jerusalem Water and Sewage Industries Ltd.

Tahal Engineering Consultants Ltd.

Baka Neighborhood Administration

Rothem Industries Ltd.

Traffic Police Jerusalem Region

Israel Electric Corporation Jerusalem Region

Closure of Derech Beit Lehem and Rehov Harakevet

As part of the project to improve the supply of electricity to residents of Jerusalem, an underground cable carrier will be laid under the railway tracks.

Accordingly, **Derech Beit Lehem from Rehov Harakevet to Eneq Refaim and Rehov Harakevet between Rehov Dmial and Derech Beit Lehem** will be closed to traffic from Friday, June 27 until Wednesday, July 16.

During this time, the section of Derech Beit Lehem between Rehov Minan Rehabilitation and the railway tracks will be open.

The shops on Derech Beit Lehem will be open as usual.

With the permission of both the police and the Jerusalem Municipality, work will be carried out throughout the day, in order that the work be completed and the roads re-opened as quickly as possible.

Drivers are requested to listen to the police and to obey road signs.

We apologize to residents for the inconveniences and noise.

From June 29 until July 4, there will be no Rail Service either to or from Jerusalem. Rail services will resume on Sunday, July 6.

For further information, call the 24-hour-a-day municipal hotline, Tel. 406, or Tel. 5314500-4, or the Israel Electric Company's 24-hour-a-day hotline, Tel. 103.

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